

HOGMANAY.

NEW YEAR'S EVE CUSTOMS.

For some unexpected reason New Year's Eve is observed with greater festivity in Scotland than in any other part of the British Empire. From December 31st to January 6th are "the daft days," but the Eve itself is known as Hogmanay. Many meanings have been assigned to this word, but none of them are quite satisfactory. It is said by some to be a corruption of the French "Homme est né" ("Man is born"); others trace it to two Greek words meaning the holy month. Again, it is said to be derived from the Scandinavian "Hogent," meaning hog's night, or the time when the hog was killed. It most probably is akin to the term still used in the north of France, and in the Channel Islands, viz., "Hogmanau," which it is said is a mixture of the words "Au gui menex," to gather the mistletoe. However, Hogmanay it is in Scotland, and all good Scots call it so wherever they may be.

In the older days children went out singing and asking for cakes. Most of the customs of the good old times are associated with begging and the bestowal of alms. The most favourite rhyme was—

"My feet be cold, my shoon be thin;
Gie me a cake, and let me rin;
And in other parts was sung—
"Get up, goodwife, and shake your feathers;
And dress them clean, we are awa' gae;
For we are bairns come out to play;
Get up and gie' me Hogmanay."

They were received right royally, and given many sweets, cakes, and oatmeal, which provided for many poor people.

Gloves were always sent as New Year presents, and were often filled with money or jewels—a custom most of us should like to see revived if we were the recipients. This glove giving was general through Europe for many years, and was introduced into England in Elizabeth's time. Gloves were then extremely costly being embroidered with precious stones and scented; but plainer and cheaper ones were soon made, and it was the custom to wear them once only.

Lord Kirkcubright was the first to sell them at the New Year bazaar at the Assembly Rooms in Edinburgh. Sir Thomas Moore once received a present of New Year's gloves from a lady in whose favour he had decided a law suit a little time previously. In her gratitude, when New Year came, she sent him the customary gloves, but she was careful to place within them a good sum of money. He wrote her the following acknowledgment:—

"Misses.—Since it were against good manners to refuse your New Year's gift, I am content to take the gloves; the lining you will please bestow elsewhere."

Sir Walter Scott delighted in old customs, and kept them up at Abbotsford. He also had "guisers" to perform on Hogmanay. These resembled the mummers in England. They dressed up, sang, and acted whatever songs they were singing. They were privileged, and might enter any house without knocking, and generally did as they pleased, often winding up by "wrenching off knockers and pulling down bells," but they never stole these articles. They merely placed John's bell on Brown's doorstep and Brown's knocker in White's garden, from which they had taken the gate to deposit elsewhere. But these diversions were not confined to the guisers of Scotland, for they were a favourite pastime with the gilded youth of a generation ago. Bonfires are lighted, and it is considered very lucky to see them burn out, and then to bring home some of the embers which are believed to have the power of keeping contagious illness away. This superstition no doubt comes to us from the Druids, who worshipped fire and light.

Of course, nearly every one remains up until midnight, to see the old year out and the new year in, and, by the way, there is a superstition that nothing must be swept out of the house on the New Year's Eve, and no one must be allowed to depart on a journey, and above all, one should have no quarrels on this eventful night, or everything will go wrong throughout the coming year.

The bells ring and bands play, and we wrap and sing for joys as fleeting, and we know not what is before us; but still let us look forward with pleasure to the new year.

The year is going, let him go;
Ring out the false, ring in the true;
Ring out old shapes of foul disease;
Ring out the narrowing lust of greed;
Ring out the thousand ways of sin;
Ring in the thousand years of peace.

EMPEROR'S SIMPLE LIFE.

PERSONAL EXPENSES AS A DAY.

The birthday of the Emperor of Austria was chosen as the date for the publication of a work that will be a lasting memorial to the aged monarch, who has completed his 79th year. The writer, from his connections in Court circles is in a position to publish many details in regard to the private life of the Emperor that are not generally known.

Details concerning the simplicity of the Emperor's habits are given. The words of one of his servants are quoted: "I believe for my part that the Emperor would not need more than a day for his own private and personal expenses." Some account is given of the large amounts that the Emperor devotes to charity, as well as the cost of keeping up the Court. The gardens at Schoenbrunn, for instance, cost an annual sum of considerably over £10,000, without taking into account the menagerie, which costs £2000. No entrance money is taken at the Schoenbrunn menagerie, and it is entirely owing to the generosity of the Emperor that crowds of visitors to the city can visit the animals, not to mention the numbers of children who spend hours daily in watching their habits, free of charge.

A chapter is devoted to the presents made by the Emperor to various foreign potentates, relations, etc., in the course of the year. These include portraits, jewels of all descriptions, objects of art, carpets, and tapestry, while pictures for altars, crucifixes and Mass vestments are given to various churches.

The Emperor receives many requests for presents from his subjects, who are inclined—the peasant population especially—to believe his power to be almost super-natural, and that he can grant them any object or wish that they may desire. Many of the petitions for gifts are granted. The chapter devoted to the Emperor's made, and found that he possessed a number of medals for good conduct and long military service, granted his petition.

The story of a poor needlewoman is told, whose husband had fought with the Austrian Army, and who begged the Emperor to give her a sewing machine, as she could not earn her bread without one. The Emperor immediately sent the poor woman what she requested.

A CURIOUS FACT ABOUT LONDON.

BY ONE WHO HAS TESTED IT.

At an hour when all respectable citizens are supposed to be abed, a small contingent of the "submerged tenth" was gathered on the steps of St. Paul's Cathedral in silent contemplation of a phenomenon. Now, the most trifling variation from the grooves of civilisation will cause a crowd to assemble. Presumably, therefore, an object which will divert the attention of individuals whose pressing need is to find the wherewithal for the next meal, must be abnormal.

It happened to be an ordinary, sober, respectable-looking man sitting down on one of the steps. Had he been standing up he would have attracted no attention, but that a man should sit down in London, on something that was not actually designed for the purpose—this was abnormal, and required explanation.

The time was 2.0 a.m., the individual was myself, and the explanation could not be long delayed, as the crowd gave way for the majestic approach of a member of the City Police.

"What are you doing there?" he said. "I carefully finished lighting my pipe before I answered, 'Resting!'"

This apparently harmless word seemed to irritate him, for he retorted, "Now, then, none of that; you get along home. You're causing a disturbance."

"Now, look here, Constable," I said, "how can a person sitting down on a step and smoking a pipe possibly cause a disturbance? As for these—er, these 'gentlemen' (indicating by a nod the onlookers), 'I have not said one word to them or they to me.'"

"Do you know where you live?" was the only reply vouchsafed.

Apparently I was making no headway, so I proceeded to explain.

"The fact is, Constable, I was informed a little while ago by a member of the Force that if an ordinary respectable individual who lives at some outlying suburb loses his last train it is impossible for him to sit down and rest unless he can afford to stay at an hotel, but must simply walk about until the early morning service starts running. Well, I am simply putting the statement to the test. That's all. The common lodging-house would not, I feel sure, appeal to the community to whom I have just alluded, and I am assuming that its funds taken individually would not run to an hotel. Now, because I sit down, you tell me I am creating a disturbance."

I can only suppose that the duties of the police do not comprise the arguing of legal niceties, or else that he had doubts as to my sanity or sobriety, for, with a "You can't sit there," he bent down, caught hold of my arm, and politely, but firmly, escorted me into Ludgate Hill, where he left me, with the parting advice to "Get along home before you get into trouble."

I walked on to the Embankment, and traversed its entire length. Every seat was occupied by the poor wretches whose hopes in life must be narrowed down to the possibilities of the next day. Not only were the seats full, but the less fortunate were squatting on the ground, with heads pillowed on the knees of the early comers. To sit there was impossible, so I tried the coping of the river wall, but this was more heinous still. The constable scouted a possible suicide, and hurried me away.

To him I again related my statement, and asked him, from his knowledge of London, where a seat could be found. "None that I know of, sir," he said, "that ain't already filled with the likes of them," jerking his thumb over his shoulder.

During the next two hours or so, I think I tried every conceivable and likely spot. I was "moved on" from doorsteps innumerable, copied areas, quiet nooks of the squares—even from that high bench in Piccadilly which, we are told, was a resting-place for the loads of porters in days gone by.

What is this terrible misdeed of sitting down? I asked myself as I walked slowly along Piccadilly. I can stand in any one place as long as I like, though possibly I shall be pestered with beggars, or I can lean against a lamp-post or against a tree. Is there really then some curiosity in a man sitting down as against a man standing up? If one sits on a seat, no curiosity is evinced; but if one sits eighteen inches lower down on the pavement or kerb, one is immediately "moved on," as the possible or actual creator of a disturbance or of an obstruction.

I brightened for a time in the remembrance that there was, in the neighbourhood of Fleet-street (so I had been told), a "pub," with an extended time licence, for the benefit of printers and compositors.

"Lord, sir," said the Bobby at the corner of Boulevard-street, to whom I put the inquiry, "that's all been put a stop to. You ain't supposed to be thrifty in London at night. Now, if a cup of coffee 'ud be any good, you'll find some stalls near by."

I was refreshed by the "coffee," but had to take it standing up. In despair of the principal streets, I foolishly tried a back court in the labyrinth between Fleet-street and St. Bride-street. At last, I thought I had found a "corner" doorway, but I had not been there a minute before I heard voices approaching me—not the well-known flap flap this time but just two of the loquacious fraternity. They passed, and then stopped. Said one to the other, in a hoarse whisper, "If that's all, B. I. I, what's this 'ere cove? 'E don't look tidy; let's rush 'im! Come on!"

They made a sudden bolt—not at me, but away from me. I looked round to see the cause, and found myself the centre of a circle of light.

To the possessor of the lantern I successfully explained my apparently suspicious movements. He gave me good advice, while I suitably recompensed his timely assistance.

So the back streets would do, either; that was evident. As the Bobby succinctly remarked, "It was simply asking for trouble."

I was done. I gave up the search in despair, I had tried the highways and byways, the squares and those places where, presumably, a harmless individual might sit and rest. I was more weary than I had thought it possible for a human being to be. To rest anywhere was obviously impossible. I meandered slowly towards the terminus, and paced up and down, and down, until at last the gates were opened. Oh! the heavenly luxury of that hard seat in the stuffy waiting-room.

Never again! I am convinced. Think upon it, ye orators who, with arm extended, proudly allude to that vast Empire upon which the sun never sets, that right here, in the heart of it, there are certain hours when, above all others, you most need to, you cannot sit down!—*Pall Mall Gazette.*

LORDS OF OTHER LANDS.

THE "UPPER HOUSE" IN FOREIGN PARLIAMENTS.

At a time when so much public attention is being directed to the House of Lords in connection with the Budget, it cannot but be interesting to take a short survey of how the Second Chambers in other countries are constituted, how they work, and in what points they differ from the Lords.

The Upper House of the Austrian Parliament consists of from 148 to 268 members, the number varying according to the number of life members. It is composed of—(1) Princes of the Royal Family who are of age; (2) a number of nobles in whose family the dignity is hereditary; (3) the Archbishops and seven Bishops; and (4) a number of life members, nominated by the Emperor, who have distinguished themselves in various ways for the public good. The latter are not to be fewer than 150, nor to exceed 170.

ON SIMILAR LINES.

In Belgium the Second Chamber is called the "Senate," and consists of 110 members, elected for eight years, one half coming up for re-election each four years. Of the 110 representatives, 83 are chosen directly by the populace over 35 years of age. The other 27 are elected by the county councils, which are themselves elected by direct votes of the electors.

Denmark also has two Chambers, the Upper one being called the "Landsting." This is invariably composed of 66 members, of whom 12 are nominated by the King for life, and the remainder are elected for eight years by popular vote. Half of these retire every four years.

In France the Second Chamber is known as the "Senate," and its members hold office for nine years. Every third year a third part of this body must seek re-election. Senators are chosen by an "electoral college," meeting in the chief town of each department, and composed of Parliamentary deputies, members of the Departmental Council, of the district councils, and delegates sent by the municipal councils. There are 300 seats in the French Senate that have thus to be filled.

HUNGARY'S "HOUSE OF MAGNATES."

The Hungarian Parliament calls its Higher Chamber the "House of Magnates," and this is composed of (1) hereditary members; (2) members who sit by right of office or dignity; (3) those who sit by Royal appointment; and (4) those who sit by virtue of election. The hereditary sitters are members of the Royal Family or Nobles; those members who sit by office, etc., are chiefly archbishops and bishops; those by Royal edict are life members, and never exceed fifty.

The "Senate" of Italy is not limited with regard to its number. The Senators are appointed for life by the King on the proposition of his Ministers. Each Senator must, however, be 40 years of age or more; must belong to 21 determined classes of the community, and must be of high character. Last year the number of the Italian Senate was about 241.

In the Netherlands the Upper House is called the "First Chamber," and is modelled on Republican lines, it is formed by the process of indirect election, none of its members, except the President, being appointed by the town. It consists of 50 members, who must be over 30 years old, and of Dutch nationality. These are elected by the "Provincial States" for nine years, but a third retire every three years.

Portugal has a "House of Peers." It is formed from (1) peers appointed by the King, who may not exceed 97; (2) peers in their own right—such as princes of the Blood, archbishops, and bishops; and (3) hereditary peers. These latter are not to be renewed by the same principle, however, as the members die out. Their places will be taken instead by life peers nominated by the Crown. No person may be a peer of Parliament till he is 40 years old, has given proof of a superior education, and possesses a private income of at least £200 a year. The German "Herrenhaus," or "House of Lords," is composed of (1) territorial nobility; (2) representatives from the universities and larger towns, presented to the Emperor for nomination as life members; and (3) life peers nominated by the Emperor himself. All members must be over 30 years of age, except princes. The whole numbers are approximately about 240.

IN SUNNY SPAIN.

Spain has a "Senate," which consists of Senators in their own right from Royalty, hereditary claim, or office, life Senators appointed by the Crown; and others elected, by law, from "corporations of the State and the highest taxpayers." The latter portion of the Senate numbers 120, and the other two sections must not be allowed to exceed this third part.

The Swedish "First Chamber," as the upper one is termed, has 150 members. These are popularly elected by the county councils, and the municipal councils of five or six of the chief cities of the kingdom. Each candidate must be over 35 years old, and must have for three years previously paid income-tax at least £200 a year. They sit for nine years, and are once replaced at death, etc., by others, also for nine years.

The Senate of the United States is 90 in number, and is really a permanent body, only a third of it being renewed every two years. The Senators must be 30 years old, have been citizens for nine years and be inhabitants of the State for which they stand. The Senators are chosen by the votes of the State Legislature that they represent, and they are paid £1500 a year as salary, besides expenses.

CHINESE CONSUL FOR SAMOA.

The China Navigation Company's steamer *Changsha* arrived at Sydney on 29th ultimo. The steamer had on board three distinguished Chinese passengers, viz., the newly-appointed Consul for China in Samoa and two secretaries. There is a very large Chinese community in Samoa, hence the appointment of a Consul. Recently contracts were entered into between the German authorities and China for the employment of several hundred Chinese labourers on the plantation in Samoa.

HEAD HUNTING IN BORNEO.

A SURVIVAL OF BARBARIC TIMES.

An account was recently published in these columns of the difficulties experienced by the authorities in Borneo in their attempts to stamp out the ancient custom of the Dayaks, known as head-hunting. A recent number of the *Advocate* gives the following description of the inhuman practice, which also explains why the endeavours to end it are met with such strenuous opposition by the natives.

Justly are the Dayaks (one of the principal tribes in Borneo) called head-hunters, for during the whole of their life, from early youth till their death, all their thoughts are fixed on the hunting of heads. It is the first thing for the Dayak grandmother to teach to her grandchildren—it is the last thought of the dying Dayak.

The child, unable to speak, scarcely able to walk, is addressed by his grandmother in the following way: "Listen well, my rice, my rice-basket (the terms are equivalent of our 'little angel' or 'my dear'), we put all our confidence in you, for you have to avenge us. For the head of your grandfather or some other member of your family is hanging somewhere, over the fireplace, and you have to avenge us. Let us not confide in you in vain, let it not be in vain that we educate you and carry you to the river to bathe, let us not have given you our milk in vain." This is the daily admonition the boy receives till at the age of fourteen or fifteen he reaches manhood.

Then comes the time for marriage. Of course he wants to get a good wife, but he cannot unless he can show a human head to the women. And so it goes through the whole of his life; the women, in their cruelty and blood-thirstiness, are the cause of this head hunting.

A very affecting ceremony (at least in the eyes of the Dayaks) takes place when the heads come home for the first time. This ceremony must be performed before the sun has reached its zenith. The whole house is decorated, mats are spread, and as a substitute for flags they hang blankets from the roof. Suddenly a war-whoop is raised in front of the house, and the warriors approach to the bottom of the ladder (every house is built on posts). Then mats are spread, and they sit down whilst the women sing the *himaing* (an epic song) in honour of the heroes. This song alone makes such a tremendous impression on some young men that they forthwith descend into their boats to go for the purpose of capturing another human head.

Then they ascend the ladder and go to the verandah of the house. There a pig, just butchered, lies in a pool of blood; every man steps in this blood, and then on to a certain stone, ready for the occasion. This means health and long life for them. After that the women take possession of the fresh head and start at once their horrible dance with it.

A special kind of food is prepared to feed jeeringly the head or heads; they fill the mouth, nose, ears, and eyes with rice, and, dancing, they express the wish that it will enjoy its food. At last, exhausted with dancing and yelling, they roast the head above the fire, till small becomes intolerable, even for the women. For seven days and seven nights the feasting goes on, and during that time nobody is allowed to sleep, especially during the night.

MONSTROUS PAIRS.

MILLINERY THAT DEFIES THE PARCEL POST RULES.

The regulations of the General Post Office with regard to the dimensions of parcels to be sent by Parcel Post have so often been defied that the department has issued a notice drawing the attention of its officials to the unwieldy and illegally-sized millinery hat-boxes—frail and often badly-packed—that are constantly endeavouring to smuggle themselves across the counter.

After making inquiries at the G.P.O. on the subject, the *Morning Leader* representative called at the Maison Lewis, where it was stated that in consequence of the stringent Post Office rules many of the cartage companies were doing excellent business with the out-sized millinery boxes.

"We have a regulation size G.P.O. box, made of strong leather board," said Mr. Frank Brighton, "but it is a moderately-sized affair, for the present-day hat which, if smaller than during the height of popularity of the 'Merry Widow' type, is still very large and flat."

A DIFFICULT PROBLEM.

It is altogether a difficult problem. On the one hand the G.P.O. is the loser through sticking to old red-tape rules, and on the other the lot of the rural postman, weighed down with a number of unusually large boxes, cannot be forgotten. Millinery, if bulky, makes a light parcel, and our postmen carry as many as ten to 15 big boxes at a time, slung in a sack on their backs.

But on the question of careless packing the public are often in fault. The packing of millinery is an art, and the way in which hats sent on approval occasionally come back would seem to prove that it is little understood by the amateur.

"To pack a hat securely a good box is necessary, and plenty of tissue paper and a length of tape."

THE ART OF PACKING.

Turn the hat on its crown, fold a piece of tissue in half a dozen lengthwise folds, place this across the greatest width of the brim underneath, stretch the tape over the paper, securely plait both tape and paper to the inside of the hat where the brim joins the crown, turn the hat right side up, and place it in the box.

Make two holes through the bottom of the box, bring the tape through, tie it taut, and the hat cannot be dislodged.

Of course, it is sometimes advisable to send a box in a wooden case if it is making a very long journey; but for ordinary purposes a hat-box in good condition will stand the general wear and tear of a postal journey.

FREEDOM OF THE CITY.

WHAT IT REALLY MEANS.

The Freedom of the City of London is one of the most cherished and ancient of civic privileges. Yet it is not generally known what the freedom of Britain's most historic city really means.

The City's freedom consists of a small strip of parchment, inscribed with the names and titles of the persons to whom it is to be presented, guaranteeing to the holders, and their children after them, for ever, the right to live and trade within the City limits without having to pay a tax on the goods brought through the gates.

Besides having no tolls and duties to pay at any of the ports of the United Kingdom, the holder was also exempt from naval or military service in the days when it was made compulsory. Then, in the event of falling on evil times, the member is entitled to receive pecuniary aid. It is also the duty of the City Chamberlain to take upon himself the care of their children in the event of the parents' death, educating them, and administering their property until they arrive at years of maturity.

ANCIENT AND QUIET CEREMONIAL.

The parchment bears the seal and signature of the Lord Mayor and Chamberlain, and is generally ornamented with variously colored ribbons, and beautifully illuminated. It is usually enclosed in a gold box or casket, which costs the Corporation £100, but in the case of Miss Florence Nightingale and General Booth the gold casket was replaced by one of oak and bronze, the difference in the cost being handed over to the causes they have so much at heart.

A very ancient and quaint ceremonial was observed when the "presentation" to Miss Florence Nightingale took place at the Guildhall, nearly two years ago.

Six citizens—members of the Corporation—gave their testimony to the worthiness of the recipient in these curious expressions:—

"That Miss Nightingale is a woman of good name and fame; that she does not desire the freedom of this City whereby to defraud the King or this City of any of their rights, customs, or advantages; but that she will pay her scot and bear her lot; and so they all say."

"THE RIGHT HAND OF FELLOWSHIP."

This is followed by the resolution of the Court for conferring the honour being read, whereupon the Chamberlain admits to the freedom and makes an address to the recipient, who briefly replies. This over, the Chamberlain offers the new member "the right hand of fellowship," and presents the casket containing the freedom. In the case of a military freedom a sword of honour takes the place of the casket.

Aliens are not eligible for the City's freedom, which explains why the Corporation only present addresses to foreign potentates visiting England. One of the most interesting presentations of recent years was that conferred upon every one of the City of London Imperial Volunteers, just before they left for the seat of war.

There are three ways in which the freedom can be secured besides receiving it as a gift of honour:—(1) By patrimony—that is, sons born after the admission of their fathers to the freedom can become free on payment of £1 1s; (2) by servitude or apprenticeship to a master who is already a freeman; (3) by purchase. For this last the fee of £1 6s 8d is charged, unless the applicant is a ratepayer, in which case only £1 is charged.

NAGASAKI.

When the dawn of Nippori flashes
On the bamboo window-sashes,
And the amber sunlight splashes
Nagasaki by the sea;
Wide apart her casement flinging,
Where the lanterns hang a-swinging,
Stands a little geisha singing,
Nagasaki, sings of thee.

When from out her secret places
Darkness gathers, westward races;
And the moon night effaces
Nagasaki by the sea:
One lone heron westward winging
Heads above the ship-bells ringing
Some one in the silence singing,
Nagasaki, still of thee.

—*Pall Mall Gazette.*

CHINESE HOMEWARD BOUND.

RETURNING FROM AUSTRALIA.

The popularity of the E. and A. mail steamers with the Chinese community was demonstrated this morning, when over 100 Chinese, who have resided in various portions of the Commonwealth, went on board homeward-bound, reports the *Sydney News Evening* of 20th ult. The N. S. W. contingent was a large one, and up to the time of sailing at 11:30, there was a busy scene. The decks were crowded with the friends of the departing people. Among the number were many "young Australians," who joined in the farewell proceedings. Luggage was an important item, and the passengers were liberally provided for in this respect. They have taken with them mementoes from Australia. It is an interesting fact that something like 50 of the N. S. W. passengers have received from the Customs Department, through Inspector Donohoe, certificates that will enable them to return to New South Wales after their visit to the Celestial Empire has been completed. Many of them have interests here, and will come back again.

In addition to the passengers referred to there were four other Chinese who were not allowed to remain in the Commonwealth. They arrived by another steamer, but failed to pass the test under the Alien Restriction Act. There is also one who was convicted some few months ago at one of the Sydney police courts for landing opium. He was fined £500 for two months' gaol. It appears that he chose the alternative of imprisonment, and, having completed the term, has now to leave the country.

The *Eastern*, under command of Captain McArthur, was in splendid trim for yesterday's voyage to advantage, as she headed out in the glorious sunshine.

BLOODHOUNDS.

EXTRAORDINARY INSTINCT OF SCENT.

In view of the Spaniards in Morocco, using Major Richardson's bloodhounds to find their wounded public attention has again been drawn to the utility of these intelligent animals.

The writers of sensational fiction have appropriated the bloodhound as their own particular property, and have cast around it a glamour and superlatives which has attributed impossible qualities to the breed, and has utterly ruined, for the present, at any rate, the chances of bloodhounds being sensibly used in tracing lost people and in the detection of crime in many parts of the world.

Prejudice, engendered by the ridiculous character given to the hounds by fiction writers, and a lack of the recognition of the actual capabilities of these dogs has made everyone disinclined to avail themselves of their qualities.

A good deal of the reluctance to employ been useful on a small scale from the supposition that the hounds will damage their quarry, and this reputation was no doubt given to them by the South American breeds, which were crossed with the bulldog and mastiff, and specially trained to pull down escaping natives. As a matter of fact, the true bloodhound hunts only as a spot and is not taught to interfere with his quarry, although there is no doubt that if the animals were trained to do so they would pull down their quarry in the same way as any other sporting dog.

The striking quality of the bloodhound breed is that they are superior to any other hound in existence in following the original quarry, and unlike others, such as foxhounds, they are not easily diverted from the original scent by the crossing of another.

DETECTION OF CRIMINALS.

The use of bloodhounds for detection of criminals is matter which should be taken up by the authorities, and the development of the instincts of the hounds along the special lines which would make them useful for the purpose is only a matter of training. Few, if any, of the present-day hounds are specially trained to follow what is technically known as a "cold line"—that is, to follow the scent of a quarry some six or more hours in advance—and although they will often do this, they are generally taught to follow a comparatively hot scent, laid only an hour or so before they are set on.

Another consideration which prevents bloodhounds as at present trained from having a fair chance of proving their qualities for police work is that of necessity for this purpose they must be hunted on a leash, so that they can bring along with them the man who is to take the criminal, or the dogs when they get hot on the scent would follow it at a pace which would leave the man far behind, and result in the probable loss of the dog, or, at any rate, the continued escape of the quarry, should the dog alone come up with him.

It would be, for an expert bloodhound trainer, quite an easy matter to train a couple of first-class working hounds, which the authorities could purchase for a matter of 500 or 600, both to follow the "cold lines," and to hunt satisfactorily on the leash, and there can be no doubt that under these circumstances the number of undetected crimes would be reduced, and criminals would be more chary of undertaking the risk of eluding detection if they knew that the efforts of the humane sleuth-hound were to be backed up by the fine qualities of the canine.

The vagaries of scent are peculiar and young hounds, when in training, will jump in the air, evidently to catch a scent which is lying some distance off the ground; nor will the hounds of necessity follow the actual footsteps of the quarry, as in instances where a wind is blowing, the hounds will work and follow the scent a considerable distance to windward, showing that it is rather in the air than from the place at which the scent has been laid, that they are capable of exercising their unique instincts.

There are many other conditions known only to people familiar with these hounds, which influence their chances of successfully finding a quarry, and, in one instance, where hounds were working while lowering thunder clouds were overhead, the dogs failed to find the scent, but a few minutes after a heavy downpour had started, they went away on the line at a great pace. This was probably caused by the fact that the scent had risen above their heads, and was beaten down again within their reach by the rain-storm.

ADOPTED BY THE FRENCH POLICE.

Bloodhounds hunt the quarry solely for pleasure and for the love of the sport of finding the layer of the scent they are put on, and, although most breeds of dogs will show a decided preference for the hand that feeds them, the bloodhounds will ignore this consideration, and will in all instances prefer the company of the master who indulges them in the joy of a man-hunt.

The French police have already adopted the idea of bloodhounds as trackers, and there can be little doubt that other countries will follow suit. If only every country had its centre where the hounds are kept in training, they could be dispatched in a motor vehicle to any scene of crime, on a telephone message being sent. This would ensure their being put on the scent within an hour or so, and it is certain that the authorities would find that most satisfactory results would ensue.

Some years ago a trained bloodhound stopped sheep-killing in the neighbourhood of Guildford (England). At Blackburn a dog tracked a murderer named Fish through crowded streets to his home, and afterwards nosed out the body of his victim—a little girl—which he had hidden up a chimney. If this were possible in a congested city, how much easier it would be practised in the country, where the police often experience great difficulties in tracking malefactors.

The dog follows blood instinctively, and will

Mails.

NORDDEUTSCHER LLOYD.

BREMEN.

IMPERIAL GERMAN MAIL LINES.

FOR STEAMERS TO SAIL

YOKOHAMA and KOBE "COBLENZ" About SATURDAY,
Capt. D. Lenz 8th January.

For further Particulars, apply to

NORDDEUTSCHER LLOYD.

MELCHERS & CO.,

GENERAL AGENTS, HONGKONG & CHINA.

Hongkong, 30th December, 1909.

MESSAGERIES MARITIMES.

FRENCH MAIL LINES.

FORTNIGHTLY SERVICE TO and FROM EUROPE via SUEZ CANAL.

TO and FROM JAPAN via SHANGHAI.

FOR STEAMERS CAPTAINS TO SAIL ON

SHANGHAI, KOBE, YOKOHAMA NERA Martin 3rd Jan., P.M.

MARSEILLES, VIA PORTS POLYNESIE Broc 4th Jan., at 1 P.M.

SHANGHAI, KOBE, YOKOHAMA TOURANE Bourge 17th Jan., P.M.

MARSEILLES, VIA PORTS OCEANIE Sellier 18th Jan., at 1 P.M.

Transshipment on the Co's Steamers at Singapore for Batavia; at Colombo for Calcutta, Bombay and Australia; at Port Said for the Levant, Constantinople and Black Sea.

Through Tickets to London via Paris from £27.10 up to £71.10. 20 hours' railway from Marseilles to London.

Interpreters meet passengers at their arrival in Marseilles.

For further particulars, apply to

P. THOMAS,
AGENT,

QUEEN'S BUILDINGS.

Hongkong, 31st December, 1909.

MESSAGERIES CANTONNAISES.

HONGKONG-CANTON-KWANGSI RIVER SERVICE.

S.S. "PAUL BEAU" and "CHARLES HARDOUIN"

Capt. Marabail (1900 tons 14 knots) Capt. Dinaime

DEPARTURE:

From HONGKONG the Co's Wharf near Wing Lok Street Every Night at 10 excepting Saturdays.

From CANTON (French Concession, Shameen) Every Evening at 5.15 excepting Sundays.

FARES: 1st CLASS \$5.00, 2nd CLASS \$2.00.

French Cuisine and Wines of the Best Vintage. Meals, \$1.50.

S.S. "ROBERT LEBAUDY," Capt. Vivier

CANTON-WUCHOW SERVICE—SEE SCHEDULE.

For further information, apply to—

HEAD OFFICE, Canton.

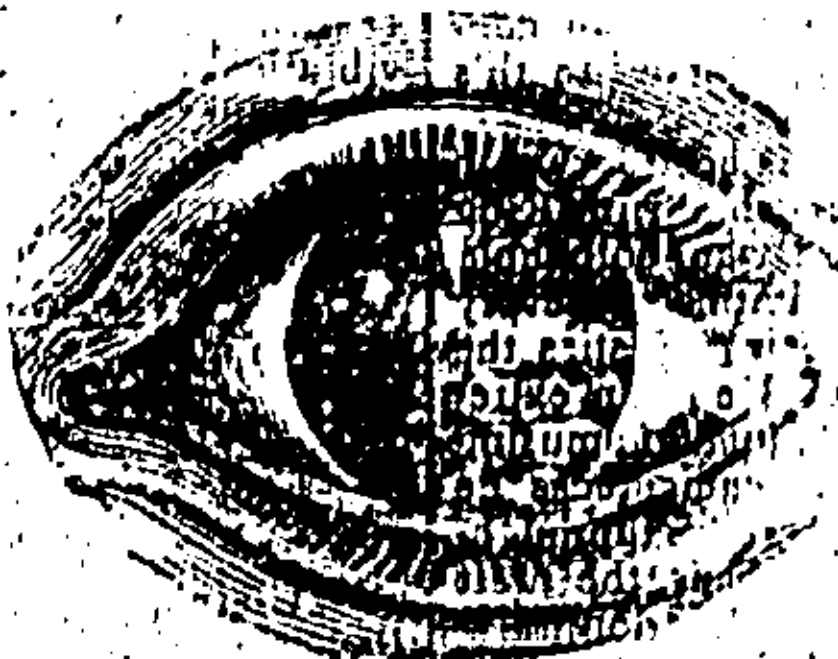
P. A. LAPICQUE & Co., Hongkong (4 Queen's Building, Tel. No. 950)

N.B.—Guides (\$2.00), sedan chairs and bearers (\$1.80) can always be engaged at Canton by starting at about 8 o'clock in the morning on a visit to the picturesque Chinese City. The tourist will find time to view the shops and other places of interest, returning to Shameen at about 3 p.m.

Hongkong, 19th November, 1909.

Intimation.

EYES



RIGHT!

N. LAZARUS, OPHTHALMIC OPTICIAN,

CORNER OF D'AGUILAR STREET AND QUEEN'S ROAD.

WILL test your eyes free of charge, and if they are wrong will put them right.

Lenses Ground. All kinds of Repairs. Spectacles for all requirements.

Ask, or write, for Illustrated Booklet on "Detective Sight"—free.

LONDON.

CALCUTTA.

SHANGHAI.

John Street, Bedford Row, W.C.

19, Beutlich Street

(66, Macleay Road)

Hongkong, 24th March 1904.

Intimations.

THE YOKOHAMA DOCK CO., LTD.

No. 1 DOCK. No. 2 DOCK. No. 3 DOCK.

Docking Length 515 ft. Docking Length 376 ft. Docking Length 481 ft.

Width of Entrance 80 ft. Width of Entrance 50 ft. Width of Entrance 65 ft.

Water on Blocks 28 ft. Water on Blocks 26 ft. Water on Blocks 21.5 ft.

THESE DOCKS are conveniently situated in Yokohama harbour and the attention of Captains and Engineers is respectfully called to the advantages offered for Docking and repairing Vessels and Machinery of every description.

The plant and tools are of recent patterns for dealing quickly and cheaply with work and a large stock of material is always at hand, (plates and angles all bar- tested by Lloyd's surveyors).

Two powerful Twin Screw Tugboats are available for taking Vessels in or out of Dock, and for taking Sailing Vessels in or out of the bay. The floating derrick is capable of lifting 40 tons.

Steam Launches of Steel or Wood, Lighters, Steel Buildings and Roofs, Bridge Work, and all kinds of Machinery are made on the premises.

Tenders will be made up when required and the workmanship and material will be guaranteed.

The cost of Docking, and repair work, will be found to compare favourably with that of any port in the world.

A large mooring, basin is available alongside our works for mooring vessels whilst under repairs.

Telephone: Nos. 876, 508, or 681.

Telegrams, "Dock, Yokohama," Codes A. B. C. 4th and 5th Edt.

Liebers, Seattle.

A. I. and Watkins.

Yokohama, April 28th, 1903

PABST EXTRACT.

THE best TONIC for keeping in perfect health in the Tropics.

It is a liquid food in predigested form, containing all the bracing, soothing and tonic effects of the choicest hops. Nearly Non-alcoholic.

Highly recommended by the local medical profession in cases of Debility after Malaria, from overwork or other causes, Anemia, Nervousness, or Dyspepsia. Samples on application.

ALSO JUST RECEIVED—

PABST (American) BEER, in barrels of 120 bottles. In view of the arrival of the American fleet in a few days, please order early, as our stock is limited.

SIEMSEN & CO., Agents.

Hongkong, 1st December, 1909.

REGRET

You will NEVER if you

VISIT

MOHIDEEN & THAHA,

in D'AGUILAR STREET,

the

NEW JEWELLERS

AND DEALERS

in

CEYLON PRECIOUS

STONES

of every description, and

other GEMS.

Hongkong, 31st August, 1900.

Dentistry

TSIN TING.

LATEST METHODS OF DENTISTRY.

STUDIO AT NO. 14, D'AGUILAR STREET.

REASONABLE FEE

Consultation Free.

Hongkong, 29th June, 1904.

Dr. M. H. OHAUN,

THE LATEST METHOD

of the

AMERICAN SYSTEM OF DENTISTRY

14, QUEEN'S ROAD CENTRAL.

From the University of Pennsylvania, U.S.A.

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COMMERCIAL.

SHARE MARKET.

Reviewing the share business for the week, Messrs. E. S. Kadoorie & Co. write this forenoon, subject to any changes that may be reported by wire from Shanghai in the course of the day.

The week under review has not been marked by any special feature and business in local stocks continues neglected, though some show a hardening tendency, notably Unions and China Sugars, and rates generally remain steady. The Christmas holidays intervening had their usual effect on the market. Rubbers have displayed great activity and there has been a marked rise all round.

A comparative statement of values of the principal local stocks on December 31st for the past ten years is appended, which we think will be of interest to our readers. (Not printed.)

We take this opportunity of wishing all our constituents, locally and abroad,

"A Happy and Prosperous New Year."

Banks.—Hongkong and Shanghai Banks have been sold at the improved rate of \$1.000. The London price is unchanged at £91-10/-.

Nationals continue firm at quotation, but none are available at the rate.

Marine Insurances.—Canton is easier and on offer at \$145 without inducing buyers. North China is quoted at \$121 but shares are difficult to obtain unless at an enhanced price. Unions have been a firm market, and after small sales at \$890, have improved to \$900, at which they close in demand. Yangtze are steady in the North at \$320.

Fire Insurances.—China Fires have ruled slightly easier and can possibly be had \$118. Hongkong Fires are also out of favour and may be obtained at \$370.

Shipping.—During the week, China and Manilla and Douglas's continue neglected, and without business to report. Hongkong, Canton and Macao Steamboats have again been dealt in at \$32, and probably a higher price might be obtained. There are buyers of Indo-China at \$63, without further business to report, but a higher price would probably be accepted. In the North, there are sellers at \$148. Shell Transports are wanted at \$715. Star Ferries, old and new, are unchanged.

Refineries.—China Sugars are showing signs of improvement and after numerous sales at \$156 and \$157 are inquired for at the latter price. Luzon have sellers at \$21. Perak Sugars are again on the upward move, and can be placed \$15.30.

Mining.—Chinese Engineerings are on offer at \$19. Raubs continue neglected, and offering at \$61. The extra capital required to enable the Headwaters Mining Co. of Baguio, Philippine Islands, to commence operations, has now been underwritten, and work is progressing at the mine. The P. to shares are quoted at par, at which price buyers prevail. Considerable interest has been evinced in this new mining field which, from the reports of the many experts who have visited it, would appear to be very promising.

Docks, Wharves and Godowns.—Kowloon Wharves are quiet at \$61. Whampoa Docks have weakened to \$51, closing firm at the rate of \$120.50. Hongkong Wharves have been sold at \$120 in the North.

Land, Hotels and Buildings.—Hongkong Hotels continue firm and can be placed at \$771 and \$45, for the old and new shares, respectively. There are buyers of Hongkong Lands at \$20. Humphreys Estates are a weaker market with sellers at \$31. There is no business to report in other stocks under this heading, quotations for which are unaltered.

Cotton Mills.—Hongkong Cottons have weakened to \$6, at which price there are sellers. Ewos have experienced a further rise and buyers now offer \$140. According to latest mail advices to hand, alterations in other stocks under this heading are as follows:—Internationals \$1.75. Lau Kung Mows \$1.10, and Soychees \$1.45.

Miscellaneous.—China Borneos are procurable at \$12. Further sales of China Providents have been effected at \$91, and China Light and Powers at \$6, the latter closing with further buyers. Green Island Cements have been sold at the reduced rate of \$71. Langkats have experienced a further sharp rise, during the week and at the close are wanted at \$120. Sumatras are reported sold at the slightly improved rate of \$1.1371.

Rubbers.—Anglo-Malays, after declining to 14/3, have now improved and can be sold at 15/6. In Balgownie a small line has been done at \$78 (Spore). Castles are firm and wanted at \$51, without inducing sellers. There are buyers of Damansaras at 91/6, but none are obtainable at the rate. Highland and Lowlands were sold during the early part of the week at 65/6, but at the close further sales have taken place at the improved rate of 73/6. Kamunings are in request at 31/3. Kuala Lumpurs have been an exceedingly firm market throughout the week rising from 95/- to 110/- at which latter rate they close strong. Numerous sales have been put through at various rates, from 95/- upwards. Ling's show a further improvement on last week's quotation, having risen to 26/6 after sales at 26/3, and more can be placed at the higher rate. Ledbury's have been the medium of a fair business at 49/- and 49/6. Sanyocrofts have risen to \$800 (Spore), but sellers rule the market. Lumels are a firm market at 5/9 prem. London Asiatics have risen considerably, to 64/6, at which figure sales have taken place.

Exchange.—The Bank's selling rate on London is 1/9 9/16 on demand. The T/T rate on Shanghai is 75.

SHIPPING AND MAILS.

MAILS DUE.

Indian (Arratoon Apar) 3rd prox.

American (Aria) 5th prox.

Canadian (Empress of China) 6th prox.

The S.S. Glenorm left Singapore on 30th inst., and is due here on 6th prox. a.m.

The S.S. Rabi will leave Malle on 31st inst., at 5 p.m., and is due here on 3rd prox. a.m.

The C. P. R. Co's S.S. Montague left Vancouver for Hongkong via the usual ports of call on 29th inst. 4 p.m.

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Steamers Expected.

Vessel	From	Agents	Due
Shanghai	Shanghai	B. & S.	Jan. 2
Tanque Maru	Moji	N. Y. K.	Jan. 3
Toruni Maru	Singapore	N. Y. K.	Jan. 3
Arratoon A'car	Singapore	D. S. & C.	Jan. 3
Tera	Singapore	M. M.	Jan. 4
Pravilla	Bangkok	H. A. L.	Jan. 4
Asia	Japan	P. M. Co.	Jan. 5
Emp. of China	Japan	C. P. R. Co.	Jan. 6
Chilez	Sydney	M. & Co.	Jan. 7
India	Port Said	M. & Co.	Jan. 17
Persia	M. & Co.	E. B. Fong	Jan. 24
Knight E. Geo	Austria	P. & A. Co.	Jan. 29

Ships Passed The Canal.

16th November—Melnam, Inverish, Katuna, Scandia, Semca, Calhoy.	19th November—Ceylon, Glancus, Mithima Maru, Laertes, Sydney, Syria, Mennon, Miyazaki Maru.
23rd November—Bendoran, Benlarig, Bulow, Sinter, Atoll, Niconidia, Schuyllill, Tiana.	25th November—Suruga, Fuzus, Bulow, Hakata Maru, P. R. Lullfold, Oceanen, Tamba Maru, Yunnan.
30th November—Brazilia, Albanya, Yunnan, Glamorganshire.	3rd December—Trangubar, Vorwarth, Antenor, St. George, Somali, Sumatra, Tourane, Thamus.
7th December—Dorffinger, Bendorich, Carmarvonshire, Liberia, Priam.	10th December—Indrasamha, Prinsess Alice, Nora.
14th December—Iyo Maru, Katsura.	17th December—Armand Bille, Atsuta Maru, Anstria, O'pach, Conisdon, Hyzon, Kilana, Maru, Peru.
21st December—Bendorich, Bendorich, Indien, Dardannu, Nyansa, Fathun, P. E. Friedrick, Segovia.	24th December—Atyana, Ralgravia, Kintuck, Hlatch Maru, Klat, Tourane, Wakana Maru.
28th December—Calhoy, Carmarvonshire, Glancus, Lannor.	

CHINA COAST METEOROLOGICAL REGISTER.

December 31st, 1909, a.m.

Bar. Th. Hu. Wind W.

Vladivostok	
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A CARGO OF CHINAMEN.

[BY K. L. CAMPBELL IN THE "NOVEL MAGAZINE"]

It was early afternoon, and Digby's Saloon, which lies near the Princess Docks, in Hong-kong, was unattended save by a few somnolent loafers. Suddenly a tall, dark man in white drill walked in, saluted the company with a curt nod, and sat down at an isolated table in a corner. There he ordered a cocktail, and gave himself up to reflection and a cigar.

This was Captain James Braddon, better known as Black Braddon on account of a somewhat sinister past and a very forceful present. Everyone from Singapore to Samoa, from Canton to Melbourne, had heard of Braddon and his ship the "Sea Gull."

There were many tales abroad of wild doings on the high seas, of "black-birding" in Polynesia, of peering in close water, and smuggling on a gigantic scale. No one knew exactly what Braddon's occupation was; everyone knew that he sailed, or rather steamed, pretty close to the wind, and on occasion farther than "pretty close"; but, so far as courts of law went, nothing had ever been sheeted home to Captain Braddon.

The afternoon wore on. Braddon had consumed a second cocktail, and was lighting a second cigar when a short, fat man entered the saloon, glanced round, and went up to the captain's table.

"Captain Braddon, I think," he said.

The captain looked at him.

"You're right," he replied. "But I don't know that I have the pleasure of your acquaintance."

"Very likely. But, you see, most people in this part of the world have heard of Captain James Braddon. I was wondering if you and I could do a bit of business."

"I'm always ready to do business—if it pays me well enough," replied the captain without enthusiasm.

"You know the north-west coast of Australia," proceeded the other. "Of course, you've just come from there. My partner and myself, Grey & Collinson (I'm Collinson), have got some claims fifty miles east of Kerombi. It's going to be the biggest gold show since Mount Morgan. The ground simply reeks with it."

"You're lucky men," commented Braddon drily.

"I don't know so much about that. We can't get anyone to work it. There aren't a thousand men in a radius of a thousand miles, and they wouldn't come. You know the place, Captain, absolute desolation—nothing but sand and spinifex, and blacks."

"Bring 'em from Queensland."

"It can't be done. Cost too much. They'd want a tinner a week, besides their transport and food. Grey tried, and everyone talked about the bad climate, dangerous blacks, no water, and so on. It's no go."

"Well," said the captain, "your troubles are very interesting, no doubt, but I don't see what I can do. You don't want me to come and dig for you?"

"No," said Collinson; here his voice sank to a whisper. "But we want you to help us to get labour. We want to get three hundred Chinese coolies landed there, and we think you're the man to do it for us."

There was silence for a few moments. Then the captain said:

"Of course you know that you'll be breaking the law. How does it go? 'Anyone allowing any person subject to the Aliens' Restriction. Act to land upon the shores of Australia liable to a fine of £100 for each such person.' That's the drift of it, anyhow."

"I know it's breaking the law, Captain, but I thought you thought—"

"Go on; out with it. You thought that I would object to that. I don't. I'm as big a rogue as you are, and you're as big a rogue as I am. I haven't the slightest scruple in breaking the law, but before I do it I want to be sure there's money in it, and I want to realise all the risks and be paid proportionately. I take it the situation is this: You've a gold mine which you can't work for lack of labour. So want me to smuggle in for you a cargo of Chinese, who'll work for you cheap. If I'm caught, I'm fined £100 a head, and probably a few years' hard into the bargain. Of course you'll say that there's not much risk of that, as no one ever goes up there. But you can't tell. Lately those customs people are always poking round. I'll tell you what I'll do for you: I'll take you three hundred coolies at £25 a head. And there's another thing. I'm not going to have my "Sea Gull" made into a stinking coolie ship, with the risk of forfeiture thrown in. You supply me with a steamer. There are a dozen rotting in the docks now. You can charter one cheap, and I'll provide the crew and everything else. Those are my terms. Not a penny less."

"My dear Captain! £7,500 and a ship. That's absurd!"

"Absurd! Not a bit of it. If I'm caught it'll be rather a tough proposition for me. Besides, on your own showing, you can't get men for less than a tinner a week plus transport. Why, it's dirt-cheap. Anyway, take it or leave it. I don't care. And Mr. Collinson, I may say that my time's valuable. In half-an-hour it'll be £30 a head."

Collinson produced a bit of paper and made some rapid calculations. At last he looked up and said:

"Well, Captain, you've got the big end of the stick. You know quite well that it's your or nobody. So we'll call it a deal."

"Right you are," said the captain. "We'll have it on paper!"

"Why? This contract wouldn't hold in any law court?"

"Perhaps not, but we're neither of us irreproachable, and, if either feels inclined to back out, it would be rather handy for the other man to have a personally signed contract to go to, wouldn't you have?"

So it was set down in black and white that, "in consideration for each coolie landed at or near Point Gascoigne, Messrs. Grey & Collinson were to pay Captain Braddon the sum of £25, undertaking further to supply a steamer," etc., etc.

When this formality was completed, the pair went off to look for a boat. The captain had one in his mind, the "Formosa," a rotten old tub, as he said, but suitable for the purpose. She had previously been in the South African coaling transport business, and was already fitted to carry human cargo without further alteration.

Negotiations were soon concluded, and the pair separated to make their arrangements for a speedy departure.

But that night, as Braddon was giving Pym, his mate, instructions concerning the new venture, a stormy scene was being enacted in the office of Messrs. Grey & Collinson.

Grey (his real name was Jacob Levinstein, and had only become Grey after various vicissitudes) was in a violent rage. The terms arranged by his partner seemed too generous for his economical soul. Collinson sat in the corner, apologetic yet a little defiant.

"You don't know the man," he was saying. "It's all very well to talk, but he just sat there as if he didn't care a bean either way. 'Take it or leave it,' he said. 'You can't haggle with a chap like that.'"

"Still, £7,500 and a ship," reiterated the other. "Why, man, we haven't got the money. Good Heavens, you could have picked up a beachcomber to do it for a few hundred, and how are we to pay him? The gold's all right, but we won't touch the profits for a year or more. All we've got has to go to working it."

"Well, back out, then, if you don't like it."

"That's just where your cursed folly comes in. You must go and put the job down in writing. You've got us pretty well caught. Of course he can't sue us on it, but he can publish the thing. I'd look nice, wouldn't I? Grey & Collinson made a contract with a man who's practically a pirate to help them in a flagrantly illegal bit of work. Our record is none too clean as it is. I wish to Heaven I'd seen to it myself."

This and much more obfuscation, garnished with various epithets which need not be recorded.

At last Collinson grew tired of it.

"Well," he said, "we can't back out, and we haven't the money to go on. What's to be done?"

Grey stopped pacing up and down the room like an infuriated tiger, and picked up the paper on which the agreement was written.

"In consideration of every coolie landed at or near Point Gascoigne before May 25th," he read. "If we could only stop him landing them by then we'd be all right. We can do that."

"How?"

"Send a cable to the customs people at Port Darwin telling them to look out for a ship that's going to drop Chinamen about the middle of course—Jenkins would do. The customs boat'll be there, and he won't be able to land them. Then we'll be quit of our part, you see?"

"That's a dirty trick, isn't it?" said Collinson.

"Dirty trick? Why, there's not an ounce of morality among the three of us. He'd do you and me like a shot if he had the chance. It's a case of diamond cut diamond."

"But suppose he find out who sent the cable?"

"He'll probably never know that a cable was sent. If he does we're the last people in the world that he'll suspect. He'll think that the business has just leaked out; these things always do. Anyway, it's our only chance."

"And what'll he do with the coolies?"

"The coolies? He can throw them overboard, for all I care. So long as he doesn't land them before the 25th we're all right."

"I suppose it's the only way," said Collinson.

Thus it was that a few days later, when the "Formosa" cleared for "Apla, Samoa," with three hundred coolies, the inspector of customs at Port Darwin received a cable from Hong-kong to the effect that a ship had left whose probable destination was to land Chinamen at Point Gascoigne somewhere before May 25th. It was signed "Jenkins"—Grey's confidential clerk. When the inspector wired back for further details, Jenkins gave them.

The voyage was uneventful. The weather was good, the coolies well behaved and the "Formosa" old tub though she might be plugged along with a fair amount of reliability.

Captain Braddon, thawed into something like amiability by the prospect of making a very lucrative voyage, proved a most entertaining companion, much to Collinson's surprise. The latter had not wished to go. In the first place he feared to be involved in the scandal, when the "Formosa" was interrupted by the Government boat, and in the second he was a great deal more afraid of what would happen if Braddon got wind of the authors of the information. But Grey had pointed out that one of them must go. Not to do so would be practically telling Braddon, who was responsible, while if one of them were there to share the unpleasantness, their part would not be suspected. And as Collinson's folly had been the cause of everything, he must be the victim.

At last about four o'clock one afternoon, when Collinson came on deck after a siesta, he saw on the starboard bow a long expanse of low, sandy, scrub-covered shore two miles away. Captain Braddon was in a good temper. "Here we are," he said, "we'll coast along, and by the time we get to Point Gascoigne it'll be dark enough to land your men. Then we'll both feel happy."

Collinson tried hard to look pleased. He wondered if the customs people had failed them. Suddenly from behind a headland in front dived a long, low, white steamer, flying the Australian customs ensign. She came rapidly towards them.

"Curse it!" said the captain. "The Revenue boat. Just my luck! We may shake them off, Mr. Collinson, but you won't get your men landed to-night."

As the newcomer drew abreast, a string of flags fluttered from the mast. Both boats stopped. From the Revenue a man in uniform hailed them through a megaphone.

"Formosa, Hongkong to Apla," replied the captain.

"What are you doing down here, then?"

"Driven south by a local cyclone."

The officer appeared to consider. Then—

"I'll come on board and look at your papers."

A boat put out and soon the officer and two sailors were clambering up the "Formosa's" side. The boat returned to the steamer.

"That looks bad," commented Pym.

However, Braddon was all smiles and affability. He conducted the officer to the saloon, and there they went through the ship's papers.

"Well, Captain," said the other, "these seem all right so far as they go, but the fact is we got a cable from Hongkong warning us that a boat was going to drop three hundred Chinamen near Point Gascoigne. You may be going to Apla all right, but you can't deny that you've got too far south and you've got an amount of Chinamen. So if you don't mind I'll stay here till you've well clear of our coast. My ship can lie off alongside."

"Certainly, sir. We'll be charmed. I'm sure, although you're giving yourself a lot of trouble for nothing. Have you got the cable on you?"

The customs officer produced it, and Brad-on glanced through it.

"This is probably a hoax," he said coolly. "Who's Jenkins?"

"Who's Jenkins? Jenkins is all right. He's something to do with shipping in Hong-kong."

They went on deck, and the "Formosa" proceeded on her way. Shortly after Braddon found Collinson near the companion way.

"What's the matter?" said the latter anxiously.

"Some swine has blown on us. I wish I could get my hands on him. Someone from Hongkong."

Collinson shuddered.

"Who was it, you think?"

"It wasn't my man, and no one else knew except your people. There must have been some talking in your office."

Collinson protested, but the captain went on:

"I don't say you had a hand in it. You may or may not, for all I know. But I do say that you're responsible. It strikes me that there's been some dirty work somewhere. Anyway, I'm going to land these men somehow to-night. Mr. Collinson, if I have to make 'em swim for it."

And the captain strode away to the bridge.

Collinson turned to Pym who had come up while the captain was speaking.

"How can be, Mr. Pym? It's out of the question."

"Speaking as a man," said Pym judicially. "I dunno. Speaking as his officer, when the captain says he'll do a thing, it goes."

On the bridge the captain was making himself exceedingly affable. The customs officer might have been an honoured guest instead of an unwelcome intruder. But all the time the captain was thinking hard.

By-and-by he excused himself on the plea of fetching some choice cigars. Below he summoned Pym and gave him some orders, at which the latter opened a cavernous mouth for sixty seconds, and then closed it with a jerk. That was his way of laughing. Then the captain went to the carpenter's stores, and soon reappeared on the bridge with the cigars.

"Plew!" he said. "It's hot!"

And, taking off his coat, he carelessly hung it over the rail by the compass. A perfectly innocent action this, but seeing that the pockets were full of bolts and nuts less harmless than it appeared.

The man at the wheel noticed the compass needle, attracted by the iron, give a little jump from the north and remain deflected. But having sailed under Captain Braddon for five years, he contended himself with winking at the horizon.

"By the way," said Braddon at length to the customs officer, "it's beastly bad navigation round here. Are the charts all right?"

"Well, you ought to know," replied the other. He got up and glanced at the one by which the "Formosa" was steering. "Yes, you've got the latest one. But these waters have never been properly surveyed. There's not enough traffic. You keep on west by north-west and you clear Point Gascoigne. Say. Look! It's coming up thick there."

To the north was a great bank of purple cloud. It was rapidly growing dark, and a wind was rising.

"Yes," said the captain. "I'll blow a bit, I daresay. Not enough to hurt."

They sat down again and chatted on. No one could guess from the captain's demeanour that he was actually waiting for something.

At last it came.

It was already quite dark, and the captain had suggested going below for food when there was a violent shock. The "Formosa" stopped, then ground on for a moment, then stopped again, her bows high in the air.

"Curse it!" said the captain. "We've run aground!"

The whistle went for quarters, and in a moment everyone was in his place. All around the thick gloom made it impossible to see where they were. And Pym, coming up with an agitated expression, reported three feet of water in the engine-room.

The captain rose to the occasion. Perfect discipline prevailed. The roar of escaping steam (the chief engineer had thoughtfully turned on the valve), the whistle of the wind in the rigging, the confused babble of the Chinese, all made a highly melodramatic scene. But the disembarkation proceeded in perfect order. Pym concealed a broad grin by rapidly out authoritative orders.

When the last boat was full, the bulk of the "Formosa's" burden was still on board. Collinson, pale and trembling, asked Pym:

"What are we to do?"

"Do? If you'll wait a couple of hours till the tide falls, you can walk to Australia with me. But the boats'll be back in a minute."

Sure enough, back they came with the information that land was only two hundred yards away, and the disembarkation went on.

As is right and proper on these occasions, the captain was the last to leave the ship. Before doing so he threw the tell-tale coil overboard, turned off a stop-cock.

When he reached shore he whispered to Collinson:

"There, I've landed your coolies for you. My part's done. They can starve for all I care. But you'd better get them away to-night if you do. I want them roped in."

So, covered by the night and the roar of the wind and waves, the rest of the Chinamen stole peacefully. The majority had already disappeared. As each boat-load arrived, Pym, aided by his satellites, had driven them into the scrub, where pursuit was useless.

Next morning found the Chinamen vanished. The "Formosa" high and dry on a sand spit, and the Revenue boat a mile out in the offing. The customs officer was frankly suspicious. He could not believe that Braddon was the victim of misfortune, yet what was there to go on? As for the "shipwreck," he himself had been on the bridge at the time. There were no grounds even for an inquiry.

So the Revenue boat steamed off discomfited. The customs officer wrote a long and apologetic report to explain matters, while the crew of the "Formosa," after tinkering with the ship off at high tide, and set sail for Hongkong.

But when Captain Braddon went to the Oriental Bank and presented the cheque which Collinson had gratefully handed him before he left, it was returned with "Refer to drawer" written across.

When he hurried round to the offices of Grey & Collinson, he found the doors locked, and a "To Let" card prominently displayed. The birds had flown.

"Pym," he said half-an-hour later to that worthy, "if you can't be honest yourself, do business with honest people. That's my advice."

A STAY IN SAGHALIEN.

ACCOUNT BY AN AUSTRALIAN LADY.

Miss E. M. Baird, of Melbourne, writes interestingly in the *Australasian* of a stay in the island of Saghalien.

The stories in the dwellings, says Miss Baird, reach from the floor to the ceiling; they are built of bricks, surrounded by great round tin cylinders, which fit into one another. A good fire of wood or coal is kept in them for a few hours, till a bed of red ashes is formed. Then the stove-doors are screwed up tightly to prevent any air getting in, and the stoves soon become very hot, and retain their heat all night.

"The Russians supplied us very much," continues Miss Baird, "by the free and easy way in which they insisted on wandering in and out of our house. They thought knocking quite unnecessary, and several times we found strangers in our rooms having a look round. The women were particularly inquisitive; they would stroll in at any open door, shake hands if they happened to meet us, and then go calmly through the rooms, examining and inspecting everything. No Russian ever misses an opportunity of shaking hands. I believe if you met the same man a hundred times in the day, he would solemnly bow, take off his glove, and shake hands each time. After the free and easy manners of Australian workmen, it struck us as very strange to see the courtesy with which the Russian workmen treated one another; they seemed to be continually shaking hands, or bowing to each other.

"As soon as things were settled in the house we engaged a Russian landress to come and wash a few of the things which had accumulated on the voyage. Of course she marched into the house without knocking, and shook hands with us all before beginning her work. She was a picture, too! Clad in a very full skirt, made of the brightest imaginable yellow print, a bright blue apron, scarlet blouse, and purple handkerchief tied over her glossy locks, she made quite a cheerful spot in the house. She seemed to know nothing at all about our methods of boiling and starching clothes, and whenever we attempted by signs to show her what we wished her to do, hurled a torrent of Russian at us, and seemed badly in need of something which she termed "Rekhab." Her repeated demands for this mystery induced me to search vainly through the Russian-English book for the word. We offered her soap, starch, blue, and indeed everything we could think of, but she still clamoured loudly for "Rekhab." Just as we were in despair, I saw the big foreman passing the house. I rushed after him and explained in my bad German that the washerwoman was dying for "Rekhab," and we again in 1890 as First Secretary, and since then, he has been almost constantly in London. He was made Ambassador in 1900.

"An amusing story is told on excellent authority about Count Metternich which is worth re-telling. When the Count was an *attaché* at Vienna, he was under a chief who was a confirmed woman-hater. One night at a dinner party at which the *attaché* and his chief were present, a very charming and beautiful woman asked the *attaché* if he thought that a man should ever, in any circumstances, be under a woman. Now the young diplomatist knew quite well the opinion his chief held on this question, and he did not want to express a directly contrary opinion at the same time, he certainly wished to avoid giving offence to his fair questioner. It was rather a difficult situation for a young man to be placed in, but Count Metternich got out of it very happily by saying, without the least hesitation: "Certainly not; not even when she asks him the most distressingly awkward questions." And the young diplomatist's chief, who had heard the question, smiled a grim approval at the reply.

The Spanish Embassy in Grosvenor Place is the only Embassy in London which is the private property of a foreign Sovereign. It was occupied several years ago by a Spanish merchant, who bequeathed it on his death to the late King of Spain. The Spanish Government had previously offered to buy the house for the purpose of using it as an Embassy, but the owner then declined to part with it.

THE PREMIER DIPLOMATIC POSITION.

"Britain," by the way, occupies the premier diplomatic position at Washington; how we secured it is a rather interesting story. Until 1833 the United States did not receive Ambassadors, the foreign representatives being received only as Ministers, a like diplomatic rank being accorded, of course, to the United States representative.

"In 1833, however, Congress decided to receive Ambassadors; the late Lord Pausanias was then our representative at Washington and Lord Rosebery deemed it a matter of such importance that we should secure the premier diplomatic position that he offered to cable Lord Pausanof's credentials to President Cleveland, but the President decided that they should be presented in person in the usual manner.

"A special messenger was then sent off in hot haste from London with the written credentials which Lord Pausanof presented to the President on April 18th, 1833, being the first diplomatic representative in Washington to do so, and thus we secured the premier position. The French representative, M. Patenotre, who was married to a charming American, much to the disgust of his Government, was beaten in the race by twenty-four hours.

A POPULAR MARQUIS.

"The busiest diplomatists in London in the past few weeks have certainly been the Marquis de Soveral, the Portuguese Minister, who has had entire charge of the arrangements in connection with the visit of King Manuel to this country.

"The Marquis de Soveral has been for years on terms of considerable friendship with King Edward and Queen Alexandra, who both hold him in the highest regard, and at nearly every house-party asked to meet their Majesties the Marquis is one of the guests. He is an extremely good bridge player, has a fond of amusing anecdotes, and in whatever circumstances he may be placed, always appears to be thoroughly enjoying himself. He is, perhaps, the most generally popular diplomatist in London.

"The reception of a new Ambassador by a Sovereign is, nowadays, a simple affair. In this country a Sovereign sends a couple of carriages to the Embassy to convey the newly-arrived Ambassador and his suite to the Buckingham Palace, where they are presented to the King by the Foreign Secretary. The Ambassador then hands his credentials to the Sovereign; who reads them through, and, after a few formal words of welcome, the ceremony is over.

"In olden times it was customary for the Ambassador to arrive with a long retinue of gorgeously-attired servants and he was escorted to and from the Palace by a military guard, but these ceremonials have now lapsed.

DIPLOMATIC LONDON.

STORIES OF FOREIGN AMBASSADORS.

"Of the various distinguished representatives of foreign Powers in London," writes Mr. T. P. O'Connor in *M.A.P.*, for October 23rd, "none is more popular in Society than the Russian Ambassador, Count Benckendorff, one of the most brilliant diplomatists in Europe. When he was quite a young man he rather unexpectedly left this diplomatic service; he was then an *attaché* at Rome: rumour declared that he had fallen in love with a beautiful lady, and that he had left the service of his country to devote all his time to winning her; if he succeeded in doing so (at least, so it was said), it was the *attaché's* intention to return to his country's service again. Whether this little romance be true or not, I cannot say, but what actually occurred was that three years later Count Benckendorff married and subsequently returned to the diplomatic service of which he is now so distinguished an ornament.

"The Russian Embassy in Cheam Place is, by the way, the largest in London, consisting of three houses knocked into one.

METHOD IN HIS MADNESS.

"The French Embassy at Albert Gate is presided over by the man who has the reputation of being the most cautious diplomatist in Europe. A rather amusing story is told of M. Paul Cambon when he was secretary to M. Ferry, his first chief.

"M. Ferry was a keen chess player and so was his secretary. The two were playing a game one night, and at a certain point in the young secretary delayed a considerable time over a move, and then made a bad one which lost him the game.

"That was a poor move," said an onlooker to the secretary afterwards, "you thought too long over it."

"No, I did not," replied the budding ambassador slyly, "if I had not thought over it, I might have won the game." And his critic understood at once that the move was not so stupid as it appeared to be, for it would not have been diplomatic for the new young secretary to have beaten his chief.

"It was as Prefect of the Doubs that M. Cambon, by his clever handling of rather a delicate and difficult situation, made his reputation, and from that time onward his rise in the diplomatic service was assured.

"Count Metternich, who controls the German Embassy at Carlton House Terrace has spent more of his life in London than any other foreign diplomatist. He first came to London as Second Secretary to the German Embassy in 1855, and was transferred three years later to Brussels. He returned here again in 1860 as First Secretary, and since then, he has been almost constantly in London. He was made Ambassador in 1900.

"An amusing story is told on excellent authority about Count Metternich which is worth re-telling. When the Count was an *attaché* at Vienna, he was under a chief who was a confirmed woman-hater. One night at a dinner party at which the *attaché* and his chief were present, a very charming and beautiful woman asked the *attaché* if he thought that a man should ever, in any circumstances, be under a woman. Now the young diplomatist knew quite well the opinion his chief held on this question, and he did not want to express a directly contrary opinion at the same time, he certainly wished to avoid giving offence to his fair questioner. It was rather a difficult situation for a young man to be placed in, but Count Metternich got out of it very happily by saying, without the least hesitation: "Certainly not; not even when she asks him the most distressingly awkward questions." And the young diplomatist's chief, who had heard the question, smiled a grim approval at the reply.

THE PENALTY OF QUILT LIKE THESE.

Among the uncanny powers attributed to the young undergraduate of Harvard is ability to name the day of the week on which any historical event occurred. We may believe the tale implicitly, for similar feats have been performed by scores of "children all over Europe. The Royal Society itself investigated the case of Jedediah Buxton, a shepherd boy of Derbyshire, who could not read, write, or cipher, but could achieve such miracles as adding up or multiplying a column of twenty figures in a few seconds without even seeing them. And he told the result backwards and forwards with equal ease.

Again I have consulted the invaluable Dictionary of National Biography to learn what became of Jedediah, but it does not even mention him. We may conclude that the blossom never grew into fruit. Indeed, the power, superior to reason, which guides these mathematical wonders abandons them generally after boyhood. Babbage and Bidden were exceptions. The latter made a fortune, though his calculating instinct had no share in that. It is told, however, that he attended the meeting of a scientific society at seventy-three years of age when the question arose how many vibrations of the ether are needed to produce the colour red. Whilst others were handling their pencils Bidden answered: "444,445,651,300,200," which is correct.

FREDERICK BOYLE.

INFANT PRODIGES.

THEIR ROCKET-LIKE CAREER AND DECAT.

A boy of eleven years, who recently matriculated at Harvard, read Latin and Greek for amusement at seven years old, spoke German, French, and Russian at ten, and long before that age could tell on what day of the week any given date would fall. In the United States people think him a "miracle," and prophesy grand achievements for his adolescence. If cruel fate will only spare him, Experience teaches us, who are so much older, that he is not very wonderful, and that he will do nothing in particular, probably, whatever the length of his days. For we know cases infinitely more remarkable.

For instance, William Wotton matriculated at Catherine Hall, Cambridge, when nine years and nine months old, graduated before his thirteenth birthday, and took a Fellowship at seventeen. The record of that small American becomes almost pitiable beside his. William read Greek so familiarly at five years that he impatiently turned to Hebrew, and mastered it before reaching his sixth birthday. At that age he was examined by a Fellow of Cambridge, who gave him a formal certificate of proficiency in Latin, Greek and Hebrew. Further, Sir Thomas Browne himself, of "Religio Medici," was tempted to look into the marvel at this stage, and he fully confirmed the testimony.

OMNISCIENCE AT ELEVEN.

Wotton's is the standing case, but that of Richard Clench surpasses it, and is much more interesting, too. At eleven years old, John Evelyn and Samuel Pepys examined this phenomenon together—one long to have been present. Richard left his questioners behind, peering with their tongues out, as vulgar little boys might say. "There was not anything of chronology, history, or geography, the several systems of astronomy, courses of the stars, creeks, harbours, eminent cities, boundaries, and bearings of countries, not only in Europe, but in any other part of the earth—which he did not readily resolve and demonstrate, drawing out with his pen anything he would describe." So John Evelyn wrote, and he was a responsible witness (if one could be. But that was little more than a preliminary canter for the prodigy, who, by the bye, was as beautiful as an angel, "full of play, running about the room, and toying with a parrot always smiling and exceeding pleasant." The learned seniors found him "able not only to repeat the most famous sayings which are left to us in any Greek or Roman histories, but also," among other things, "the tenets of the Gnostics, Sabellians, Arians, Nestorians, etc., etc." A stupendous account, as Evelyn justly says, winding up with "some particulars of the Civil Law, the Digest and Code." Where is the young hero of Harvard in this competition? But I have not told half the accomplishments of the English champion.

GREAT PROMISE, BUT SMALL FULFILLMENT.

And what came of it all?—For the moral lies there. A child's genius may confound our views of the human intelligence, but it cannot be more than a promise of achievement in the future. Has that promise been carried out generally? One must answer, Very seldom indeed. Great men have been clever boys as a rule, but we are dealing with instances of miraculous ability. William Wotton at thirteen "perfectly understood Hebrew, Greek, Latin, Arabic, Syriac, and most of the modern languages, besides a consummate knowledge of law, history, science"—and everything else. But what shall be said of him at fifty-three?—simply that he had led a blameless life in a country paragonage, and had written some books equally blameless, no doubt, if one could find them. As for Richard Clench, he has a vague recollection of reading that his after life was similar but the Dictionary of National Biography does not confirm my impression. After repeating the facts set down, that highest authority adds: "It is gratifying to know that no pressure was brought upon him"—and there we end.

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FREDERICK BOYLE.

MADMAN WHO BARKS LIKE A DOG.

Rome, November 21.

At Orsina, a village in the neighbourhood of Pisa, a young man named Giacomelli outraged an image of the Madonna, which he forced his own dog to kiss. He had hardly accomplished this act when he fell down senseless and acquired the dignity of death.

Giacomelli was conveyed to hospital, and the doctors with difficulty succeeded in reviving him, but discovered that he was raving mad and barking like a dog. The doctors cannot explain the phenomenon, which the villagers attribute to a miracle.

Giacomelli is continually barking and refuses all food, while crowds assemble in front of the hospital and listen to the barking—*Morning Leader*.

Intimation.

Powell's
NEW
FABRICS

IN
ENDLESS
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AND
RE-COVERING
FURNITURE.

SHOW ROOMS
FIRST FLOOR
ALEXANDRA

BUILDINGS.

POWELL'S

Hongkong, 14th December, 1900. [19]

Notice of Firm.

CHARGEURS REUNIS.

BY Mutual Agreement between the Compagnie des Messageries Maritimes and the Compagnie des Chargeurs Reunis, the HONGKONG AGENCY of the CHARGEURS REUNIS will, from the 1st January, 1901, be transferred to Messrs. P. A. LAPICQUE & CO. (Queen's Building No. 4).

CHARGEURS REUNIS.

P. A. LAPICQUE & CO., Agents.

MESSAGERIES MARITIMES, P. THOMAS, Agent.

Hongkong, 20th December, 1900. [1876]

Auction.

PUBLIC AUCTION.

THE Undersigned have received instructions from The Honourable The Director of Public Works, to sell by

PUBLIC AUCTION,

THURSDAY,

the 6th January, 1901, at 11 A.M., at The Public Works Department Stores, Wanchai, Praya East,

SUNDRY OLD AND CONDEMNED STORES,

Comprising:—
OLD IRON WIRE, IRON GRATINGS, A Quantity of S. W. PIPING, One STAMP MACHINE, OLD IRON, STEEL RAILS, BRASS STOP COCKS, OLD WHITE METAL, &c., &c.

TERMS:—As usual.

HUGHES & HOUGH, Government Auctioneers.

Hongkong, 28th December, 1900. [1875]

For Sale.

FOR SALE

AT

GRACA & CO'S
STORE,

27, DES VŒUX ROAD CENTRAL.

DOLLS.

TOM SMITH'S CRACKERS.

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SWEETS.

CHRISTMAS and NEW YEAR

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CHILDREN'S MAIL CARTS,

AND

A Variety of Articles suitable

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CHRISTMAS.

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GRACA & CO.

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LEE YEE

HAIR DRESSING SALOON.

HAS ALWAYS ON HAND

CIGARS, CIGARETTES

AND

TOILET REQUISITES

FOR SALE.

19, D'AGUILAR STREET,

HONGKONG.

Hongkong, 1st September 1900. [1876]

AN APPEAL.

THE SUPERIORESS of the ITALIAN CONVENT, CAINE ROAD, begs most respectfully to APPEAL to the Residents of Hongkong and the Coast Ports, for their kind patronage and support, and desires to state that she will be pleased to receive orders for all kinds of NEEDLE WORK.

Gentlemen's Shirts made to order, and Gowns and Collars reserved on old ones.

Ladies and Children's Under-clothing, Children's Dresses, and all kinds of Embroidery. Materials can be supplied, if required.

This Superiority will also be most grateful for any FANCY, or old KNEEWEEDS to be made into Rugs for the Children of the Poor Schools, who are taught by the Sisters.

Hongkong, 1st April 1900.

AN ELEPHANT TOURNAMENT.

EXCITING HUNT FOR A TUSKER.

An exciting account of a tame elephant hunt is given by a Portuguese correspondent of an Indian contemporary. The incident occurred at the opening of the new Zeolondary season, when numbers of Europeans and natives were gathered to witness the fireworks and dancing in connection with the Poonal festivals.

Two elephants were sent for luggage to the railway station, and with them went a trap. Whilst the luggage was being packed on the back of one elephant the tusker went mad. A couple of holdalls had been strapped on when he rushed at the conveyance, upset it, and got rid of his mahout and bolted across the country. It seems the elephant lived on paddy crops growing round the villages for a time, occasionally straying into the villages and frightening the inhabitants, but not succeeding in killing any, though attempts are reported.

To get rid of the beast the adjoining factories collected all their elephants, including some big tuskers, and went after him. It took some time to locate him, but while they were searching suddenly he rose from a field in which he had evidently been wallowing, and seeing the line of elephants first, put up his head and then his trunk and came down on the charge. The smaller females were kept away, while one large tusker was pushed forward to receive the charge, the driver having slipped off and driving it forward from behind with a spear from the ground.

The two beasts came together with a crash. Each tried to drive the other back again and again. They charged each other, but the "must" elephant, though a larger one than its opponent, had not the same amount of plock, and eventually turned round to bolt with the whole line in hot chase.

It was kept on the run for a good two hours, and what with the sundry spear wounds it got, as well as being well pummelled by the other tuskers, it at last capitulated, stood still, and allowed itself to be hobbled and secured to a tree.

MAKING A DEAD DOG BARK.

AN INTERESTING EXPERIMENT.

That dead dogs cannot bark will no longer be a true saying, for Dr. Marage, a French savant, has demonstrated before the Academy of Science that dead dogs can be made to bark and howl as when they were alive.

The learned doctor has made a special study of voice physiology, and is known for his curious researches. Among other things, he had succeeded in photographing the vibrations of the voice. He has also demonstrated by various experiments a scientific truth generally admitted, that the voice sounds are produced exclusively by the larynx, and that the cavity of the mouth is only an accessory, which reinforces the sound.

Whilst studying this very point, says the "Telegraph," he hit on the curious fact that dead animals, by means of electric action on the larynx, can be made to emit the same sounds as when they were alive. He applied a feeble electric current to certain muscles of the throat of a dead dog, which immediately caused it to bark. The sound was produced evidently by a series of simple contractions of the larynx, causing a vibration.

He multiplied his experiments, and found that big, dead hounds, for instance, could be made to emit a deep voiced bark as if they were alive, and smaller dogs could be made to produce a long, pitiful howl, such as is usually heard when they are said to be barking or howling at the moon. The various kinds of howls and barks can be produced at will by changing the electric current.

Events Coming.

Saturday, 1st January.

Public Holiday.
Cricket, Hongkong Cricket Club vs. United Services, 10 a.m.

Kowloon Cricket Club, Children's Sports, 2.15 p.m.

Theatre Royal, Bandmann Comedy Co., "Facing The Music" 9 p.m.

Boxing at City Hall, "Billy Bellow" vs. Bill Lewis.

Monday, 3rd January.

Public Holiday.
Boys' Own Club, opposite No. 1 Police Station, Opening New Premises, 3 p.m.

Cricket, Hongkong Cricket Club vs. United Services, 10 a.m.

Grand Orchestral Concert, by the Band of S.M.S. Schornhorst, at the St. George's Hall (City Hall), 9 p.m.

Tuesday, 4th January.

Organ Recital, at St. John's Cathedral, 5.30 p.m.

Thursday, 6th January.

Knights' class for the Hongkong Football Challenge Shield Competition.

Hughes and Hough, Auction sale of old and Condemned Stores, at the Public Works Department Stores, Wanchai, Praya East, 11 a.m.

Friday, 7th January.

Philharmonic Concert, at the City Hall.

Saturday 15th January.

China Light and Power Co., Ltd., Extraordinary general meeting at the office of Messrs. Shewan Tomes & Co., 11 o'clock.

Monday, 17th January.

Theatre Royal A.D.O. "Tormentor."

Tuesday, 18th January.

Theatre Royal, Scottish concert, 9 p.m.

Intimations.

BRITISH MUNICIPAL COUNCILS, TIENTSIN.

APPLICATIONS are invited for the position of ENGINEER to the British Municipal Councils, Tientsin.

Applicants should state their age, whether married or single, and should give full details of their previous experience, especially of their experience in China.

Candidates will constitute a disqualification. The salary will be Tientsin Taels 400 per month, with medical attendance.

The selected candidate must pass a medical examination. Only copies of testimonials need be sent.

Applications to be endorsed "Appointment of Engineer" and to be addressed to The Chairman, British Municipal Councils, Tientsin; they should reach Tientsin not later than January 15th, 1901.

By Order of the Councils, W. McLEISH, Secretary.

Tientsin, 8th December, 1900. [1861]

GREEN ISLAND CEMENT COMPANY, LIMITED.

PORTLAND CEMENT.

In Casks of 375 lbs. net \$5.50 per Cask ex Factory.

In Bags of 50 lbs. net \$3.45 per Bag ex Factory.

SHEWAN TOMES & CO., General Managers.

Hongkong, 15th August, 1900. [18]

PEAK TRAMWAYS COMPANY, LIMITED.

TIME TABLE

WEEK DAYS.

7.00 a.m. to 10.00 a.m. ... Every 10 minutes.
10.00 a.m. to 11.00 a.m. ... Every 15 minutes.
11.00 a.m. to 11.45 a.m. ... Every 15 minutes.
11.45 a.m. to 1.15 p.m. ... Every 15 minutes.
1.15 p.m. to 1.45 p.m. ... Every 15 minutes.
1.45 p.m. to 2.15 p.m. ... Every 10 minutes.
2.15 p.m. to 3.00 p.m. ... Every 15 minutes.
3.00 p.m. to 5.00 p.m. ... Every 15 minutes.
5.00 p.m. to 6.00 p.m. ... Every 10 minutes.

NIGHT CARS.
7.45 p.m. and 9.00 p.m., 9.45 p.m. to 11.15 p.m., every half hour.

SUNDAYS.
8.00 a.m. to 9.00 a.m. ... Every 15 minutes.
9.00 a.m. to 10.30 a.m. ... Every 30 minutes.
10.30 a.m. to 11.00 a.m. ... Every 15 minutes.
11.00 a.m. to 11.45 a.m. ... Every 15 minutes.
11.45 a.m. to 12.00 noon ... Every 15 minutes.
12.00 noon to 1.00 p.m. ... Every 10 minutes.
1.00 p.m. to 5.00 p.m. ... Every 15 minutes.
5.00 p.m. to 6.00 p.m. ... Every 15 minutes.
6.00 p.m. to 7.00 p.m. ... Every 15 minutes.
7.00 p.m. to 8.00 p.m. ... Every 10 minutes.

NIGHT CARS at 11.15 p.m., 11.30 p.m. and 11.45 p.m.

SPECIAL CARS by Arrangement at the Company's Office, ALEXANDRA BUILDINGS, Des Vœux Road Central.

JOHN D. HUMPHREYS & SON, General Managers.

Hongkong, 19th April, 1900.

OSMAN & CASUM,

1 & 8, D'AGUILAR STREET.

JUST UNPACKED

Ladies' Trimmed and Untrimmed

HATS, RIBBONS, FLOWERS

& FEATHERS.

MUSLIN and FIGURED VOILES.

LACE and EMBROIDERIES a speciality.

TABLE LINENS, SERVIETTES and

HOUSEHOLD LINENS.

Samples on application.

Coast Port Orders carefully executed.

Hongkong, 8th September, 1900. [19]

THERAPION MAY NOW ALSO BE OBTAINED IN DRAGGE (TASTELINE) FORM.

SELF CURE NO FICTION! MARVEL UPON MARVEL! NO SUFFERER NEED NOW DESPAIR.

But without running a doctor's bill or falling into the deep ditch of quackery, may safely, speedily and economically cure himself without the least risk of a second party. By read attention.

THE NEW FRENCH REMEDY THERAPION

A complete revolution has been wrought in this department of medical science, while thousands have been restored to health and happiness who for years previously had been merely dragging out a miserable existence.

THE THERAPION No. 1.—The Sovereign Remedy for rheumatism, sciatica, neuralgia, and all other forms of nerve pain, and for the cure of all other forms of nerve pain, and for the cure of all other forms of nerve pain.

THE THERAPION No. 2.—The Sovereign Remedy for all other forms of nerve pain, and for the cure of all other forms of nerve pain.

THE THERAPION No. 3.—The Sovereign Remedy for all other forms of nerve pain, and for the cure of all other forms of nerve pain.

To Let.

TO LET.

OFFICES and ROOMS on the 2nd Floor of No. 14, Des Vœux Road Central (formerly occupied by Messrs. Shaw, Tomes & Co.).

Apply to—
THE COMPRADORE DEPARTMENT, F. D. SASSOON & Co., Queen's Road Central. Hongkong, 11th September, 1900. [188]

TO LET.

IN No. 4, DES VŒUX ROAD CENTRAL, One Godown. In No. 6, QUEEN'S ROAD CENTRAL, Victoria Building, Rooms suitable for Offices. ROOMS in College Chambers, No. 31, WYNDHAM STREET.

Apply to—
DAVID SASSOON & CO., LD. Hongkong, 18th November, 1900. [181]

TO LET.

KING'S BUILDINGS, OFFICES facing the Harbour from about October, present in occupation of Messrs. Jardine, Matheson & Co., Ltd.

Apply—
THE HONGKONG LAND INVESTMENT & AGENCY CO., LD. Hongkong, 3rd June, 1900. [163]

TO LET.

NOS. 20 and 27, PRAYA, KENNEDY TOWN, two extensive two-storied semi-detached godowns, ground surface of cement concrete. No. 14, Praya, Kennedy Town, one extensive two-storied godown. All are in first class condition, suitable for storing Rice, Flour, &c. Rents moderate.

Apply to—
DAVID SASSOON & CO., LD. Hongkong, 8th November, 1900. [763]

TO LET.

GODOWN, No. 4, PRAYA, Kennedy Town.

Apply to—
THE HONGKONG LAND INVESTMENT & AGENCY CO., LD. Hongkong, 22nd October, 1900. [730]

TO LET FURNISHED.

"TANTALON," 125A, Barker Road. Rent \$225.00 per month. Seen by appointment only.

Apply to—
GODDARD & DOUGLAS. Hongkong, 8th December, 1900. [824]

TO LET.

No. 3, MORRISON HILL. Immediate entry. Apply—
Messrs. JARDINE, MATHESON & CO., LTD. Hongkong, 9th December, 1900. [1408]

TO LET.

OFFICES, No. 2, CONNAUGHT ROAD, 3rd Floor. No. 3, OLIFTON GARDENS, CONDUIT ROAD. A HOUSE in WONG-WEI-CHONG ROAD. A HOUSE in RIFON TERRACE. OFFICES in YORK BUILDING. GODOWNS in PRAYA EAST, BLUE BUILDINGS, and No. 108, DES VŒUX ROAD next to the Hongkong Hotel. FLATS in MORETON TERRACE. No. 10, DES VŒUX ROAD CENTRAL, 1st Floor.

Apply to—
THE HONGKONG LAND INVESTMENT & AGENCY CO., LD. Hongkong, 30th November, 1900. [15]

TO LET.

GODOWN No. 54, DUDELL STREET.

Apply to—
THE HONGKONG LAND INVESTMENT & AGENCY CO., LD. Hongkong, 1st June, 1900. [160]

FURNITURE WAREHOUSE.

LI KWONG LOONG & CO., CABINET-MAKERS AND ART DECORATORS, from Shanghai, has re-opened their FURNITURE STORE.

No. 39, DES VŒUX ROAD CENTRAL. The only Shop in Hongkong with this name.

WHERE HIGH-CLASS FURNITURE of every description can be made to order in any design required.

Have been patronized by the Hongkong Club, Hongkong Hotel, Telegraph Co., Messrs. A. S. Watson & Co., Firms and other leading establishments in the Colony, to whom reference can be made as to the Superior Workmanship and Materials of the Furniture, &c., supplied.

Messrs. A. S. Watson & Co., Ltd., write as follows:—

"We have pleasure in stating that Mr. LI KWONG LOONG furnished the Annexes to our Dispensary and gave us every satisfaction."

(Sd.) A. S. WATSON & CO., 25th May, 1891.

ORDERS punctually attended to, and CHARGES most moderate.

AN INSPECTION INVITED. Hongkong, 4th August, 1900. [111]

Consignees.

NOTICE TO CONSIGNEES.

THE P. & O. S. N. CO.'s Steamer "DELHI," FROM BOMBAY, COLOMBO AND STRAITS. Consignees of Cargo by the above-named vessel are hereby informed that their Goods are being landed and placed at their risk in the Hongkong and Kowloon Wharf and Godown Company's Godowns at Kowloon, where each consignment will be sorted out, Mark by Mark, and delivery can be obtained as soon as the Goods are landed.

This vessel brings on Cargo:—
From London, &c., ex s.s. Mooltan and Egypt.

From Australia, ex s.s. Molodova.

From Persian Gulf, ex B.I.S.N. and B. & P. S. N. Co.'s Steamers.

Optional Goods will be landed here, unless instructions are given to the contrary within 5 hours.

Goods not cleared by the 30th instant, at 4 P.M., will be subject to rent.

No Fire Insurance will be effected by us in any case whatever.

Damaged Packages must be left in the Godowns for examination by the Consignees, and the Company's representative at an appointed hour.

All claims must be presented within ten days of the steamer's arrival here, after which date they cannot be recognised.

No claims will be admitted after the Goods have left the Godowns.

R. A. HEWITT, Superintendent.

Hongkong, 24th December, 1900. [14]

BANK LINE, LIMITED.

NOTICE TO CONSIGNEES.

STEAMSHIP "SUVERIC," FROM SEATTLE, TACOMA, VICTORIA, YOKOHAMA, KOBE AND MOJI.

THE above Steamer having arrived, Consignees of Cargo are hereby requested to send in their Bills of Lading for counter-signature and to take immediate delivery of their Goods from alongside.

Cargo impeding the discharge of the Vessel will be landed and stored at Consignees' risk and expense.

No Fire Insurance will be effected by us in any case whatever.

DODWELL & CO., LIMITED, Agents.

Hongkong, 17th December, 1900. [10]

"BEN" LINE OF STEAMERS.

NOTICE TO CONSIGNEES.

S.S. "BENLARI," FROM MIDDLESBRO, LONDON AND STRAITS.

CONSIGNEES of Cargo are hereby informed that all Goods are being landed at their risk into the hazardous and/or extra hazardous Godowns of the Hongkong and Kowloon Wharf and Godown Co., Ltd., whence and/or from the wharves delivery may be obtained.

No Claims will be admitted after the Goods have left the Godowns, and all Goods remaining undelivered after the 4th January, 1901, will be subject to rent.

All Claims against the Steamer must be presented to the Undersigned on or before the 15th January, 1901, or they will not be recognised.

Intimation.



A. S. WATSON & CO.,
LIMITED.

ESTABLISHED A.D. 1841.

AERATED WATER
MANUFACTURERS.

SPECIALITIES:

DRY GINGER ALE.

LIME FRUIT CHAM-

PAGNE.

ORANGE CHAMPAGNE.

STONE GINGER BEER.

PALATABLE

AND

REFRESHING.

Watson's

FRUIT SYRUPS

mixed with aerated or plain water

make excellent refreshing beverages.

Guaranteed to be made from the

pure juice of sound ripe fruit.

A. S. WATSON & CO.,
LIMITED.

HONGKONG and KOWLOON.

Hongkong, 25th July, 1909

The Hongkong Telegraph

HONGKONG, FRIDAY, DECEMBER 31, 1909.

LOOKING BACKWARD.

When we pause at the end of another year to consider the incidents and events which have gone to make up the daily round of life's activities we are somewhat surprised to discover that the first and natural impression that the past twelve months have been crammed with epoch-marking occurrences will not bear scrutiny. It is possibly a common trait of the human mind to regard the immediate past as having a more important bearing on our lives than can be quite freely justified. But certain it is that so far as this Colony is concerned there are but few occurrences of such vital importance as to warrant the belief that the year 1909 will form a mental landmark for those who reside in Hongkong. Yet it has been a busy year, busy, that is to say, in a groping, inconsequent, tentative way, for it has been a year of conjecture as to what the future would bring, how the present was to be provided for, and how the consequences of the past were to be obliterated. For most of the year we have been living in a land of speculative musings, fighting shadowy spectres, warding off the ghosts of financial ruin, and seeking by every means possible to avert the evil day which at one time seemed to loom in the dawning future. It is for that reason we would say that 1909 has been the year of experiments, or the year iconoclastic, the year when old principles have been flung to the winds and new formulae adopted. Who would have imagined even two years ago that we should have an excise service to full swing in Hongkong long before the end of 1909? Who would have dreamt that we should have commenced operations in connection with the erection of Hongkong University—a building which is to be opened within the short space of two

years, with students attending from all parts of China? It was only on the 5th of January last that Mr. H. N. Mody gave practical effect to the scheme to establish such a centre of education in Hongkong by offering to provide the sum necessary to pay for the cost of the actual structure on condition that others furnished the equipment and endowment funds. Very few of us gave much thought to what was deemed a very visionary if desirable scheme, for what did it mean? It meant that within a certain period which was extended till the 31st of December—or a year altogether—subscriptions amounting to something like a million and a half dollars had to be raised. Now where was that money to come from? The idea was ridiculous said the majority of people who gave the matter a second thought, preposterous and futile. But His Excellency Sir Frederick Lugard pegged away at the subject, and dragged it before the public at all seasons, interested the leading Chinese in the affair till they found themselves wondering how they could get their friends and compelling them to disgorge, until there arose a belief that the University scheme might not be so very fantastical after all. Once that germin began to sprout, the rest was comparatively easy, although it was uphill work right along. Only when the Viceroy of Canton sent along a couple of lakhs of dollars and another Chinese gentleman had promised a like amount, and Messrs. Butterfield and Swire had contributed nearly half a million dollars and the other big firms and corporations in the Colony had contributed their moiety was success assured. No doubt such a result will not be greatly enjoyed by the noble and reverend lord who proposes to establish a sectarian college at Shanghai or Har-kow or some other place, a college where the students will be mechanically turned into sanctimonious saints and plaster divinities, but Hongkong is not bound by the 39 Articles or the wisdom of the shovel-hats. When we remember that according to the reckoning of the University Committee the students attending the classes are expected to number 550 to 1,000 we scarcely think there will be very much need for the noble and reverend gentleman's college of decum. But, of course, it is profitless to prophesy unless you know. Probably, then, the realisation of the Governor's aspirations to see a university established in Hongkong is about the most important event of the year. There is always this about it, however, the promoters perpetually harp on the advantages to be derived from the education of Chinese youths drawn from the interior to Hongkong in order to participate in the benefits of a university education. We are told again and again how British prestige will rise up and flourish like the proverbial green bay tree, how the Chinese M.A.'s or B.Sc.'s or M.B.'s, or whatever they are to be called, will return to their patriarchal homes trumpeting out the virtues of the British Empire and the manliness of the British people, till all China shall ring again with the sound of their grateful voices. We are told that China is bound to appreciate our loving kindness, presumably by giving us contracts at figures which will enable us all to retire and live in luxury for the rest of our lives. Frankly we consider that view a little rash. It may seem a beautiful view but it is only a mirage at the best. A graduate has tender recollections of his *alma mater* even if it is only a ragged school, and he will not willingly allow it to be run down, but he does not necessarily lose his common, practical sense in consequence. Hongkong, he will say, is a very fine place, a monument to British pluck in the way of overcoming natural difficulties, and the University is a very good school which furnished the best part of my mental equipment, but when it comes to the point business is business and sentiment is sentiment and like Kipling's East and West "never the twain shall meet." What we should prefer to know is that the poor Hongkong boy shall have a chance of attending this institution, provided he has the necessary brain power and application. That is our view, without any flummery or artificial depositions and we diffidently suggest that it is the view of a large number of readers. While on this question of education let us turn to a matter which has cropped up in connection with the elementary schools. We refer to the proposal to curtail the expenditure of the Colony by dealing with the school fees and the grants-in-aid under the Government Code. The suggestion is to appoint another commission—a sort of supplementary body to that which glorified itself with the name of Retrenchment Commission and retrenched nothing—which will look into this matter of increasing the fees by reducing the grants-in-aid. Were it decided to reduce the grants in question the burden of providing the children with a decent and sound elementary education, so far as it goes, would be immediately cast on the parents, many of whom find it hard enough as it is to scrape together the wherewithal to keep their boys and girls in the class room until they have gained at least a working knowledge of the rule of three. As a matter of fact it is a well recognised principle of government that the State is responsible for the elementary education of its future citizens. If the parents wish that their children should

enjoy the advantage of a secondary education they must be prepared to meet the cost in part if not in full according to the mental vigour of the student, but elementary education is a State function, not to be neglected. Moreover, it is difficult to reconcile the attitude of the Government in this respect with the provisions of the Code. Under the Code the grant schools in Hongkong are precluded from rejecting any eligible applicant for admission to the lower standards or forms. So that the Code would have to be interpreted in a most extraordinary fashion if it were held that grant schools should be open to all and sundry in the lower classes and yet their grants should be reduced. Of course that would mean that the greater the number of pupils attending the classes the greater the cost of maintenance and as the result of a reduction in the grant the greater the financial loss to the schools. Such a state of things could not, surely, be entertained by a reasonable Government, or the Governor has not given the question that attention which he usually directs to educational matters. At all events we trust such an absurd proposal will be promptly shelved by any responsible body of gentlemen who are capable of forming and in a position to declare opinions of their own. With regard to the work of the Hongkong Legislative Council during 1909, there will certainly be a diversity of opinion concerning its practical value. Not for years has there been such a spate of oratory as has flooded meeting after meeting of the Council; seldom have so many resolutions dealing with all manner of subjects from the Clock Tower to the Law Courts and from opium to liquor, been introduced only to be withdrawn in the end or beaten to a pulp by the official vote; and it must be years since the Council passed no less than 46 original or amending Bills in a single year. One would have thought that amongst all those Bills at least a quarter of them would be worth recalling but as a matter of fact not more than three or four are of any permanent interest. It would seem, indeed, as if some zealous servants of the Government had spent their spare time in discovering technical errors in the existing Ordinances and thereupon drafted Bills to amend the case and so swelled the list of Ordinances brought into being. The principal Bills to which reference may be made were the consolidation Ordinances relating to liquor licenses and opium, the Trade Marks Bill and the Railway Bill. It is unnecessary to say that the first two Bills were connected with the raising of the Colony's revenue. Right through the year the bugbear of discussion has been the dwindling revenue consequent on the action of the Imperial Government in restricting the sale of opium by closing the divans. At one time it was the firm opinion of those in the opium trade that the Colony was being brought to the verge of bankruptcy by the arbitrary action of the Secretary of State in ordering the Government to make an end of the divan system even before he had heard the Hongkong side of the case. The Government itself was of opinion that the Colony's revenue would suffer enormously owing to the fall in the tenders for the Opium Farm. And His Excellency the Governor spoke in most lugubrious tones concerning ways and means, although persistently declaring himself an optimist in the highest degree. Apparently the Secretary of State recognised that he had acted with undue precipitation for not only did he modify the original order, but he explicitly stated that the Imperial Government would grant the Colony "substantial compensation" for any loss in revenue that might accrue as the result of the Colony's obedience to the will of the home Government. What that "substantial compensation" is likely to be nobody has the slightest conception. Repeated questions have been asked in the Legislative Council on the subject but no satisfactory answer has yet been forthcoming. All that the Government has been able to say is that the Imperial Government may be trusted to redeem its pledge. Now that the United Kingdom is in the throes of a general election we wonder what attention will be paid for weeks to come to this question which affects Hongkong—not so seriously now perhaps, but still prejudicially. Had it not been for the fact that when the tenders for the Opium Farm were opened it was found that the estimated decline was to a large extent a myth the question of compensation would have been of much greater importance to the Colony than it is at the present moment. The deficiency estimated by the Governor was put at \$500,000 whereas the new Farm which begins operations on 1st March, 1910, represents an actual loss of only a little over \$250,000. So much for the Farm, but it was in the handling of the import and export trade that merchants were fearful lest the effect of the Imperial edicts in China and the British regulations in India should stifle the market. The opium trade in Hongkong represents a turnover of fully thirty million dollars a year which is a very conservative estimate, and when to that is added the cost of labour, storage, insurance and freight it will be understood that it is not a traffic to be despised. Fortunately the silver lining appeared when new markets were discovered and the demand for opium is indefinitely postponed. The next item of revenue

which attracted widespread attention was connected with liquor licenses. The Government, after much sleepless night, and deep thinking produced a marvellous scheme which had for its object the taxation of hotel and publican's licenses according to the assessed value of the premises. In other words where a first class hotel was being charged \$2,000 per annum for a license to sell spirits and wines it would, under the new rules, have to pay anything in the neighbourhood of \$6,000 or \$7,000, which was manifestly absurd. On reconsideration it was decided instead to impose an excise duty on liquors, a plan which aroused much opposition on account of the fact that it would destroy Hongkong's claim to be a free port in the true sense of the word. It was argued that the establishment of an excise bureau implied that the thin end of the wedge-making provision for the introduction of a Customs service was being inserted. This view was vehemently opposed by the Government and after interminable discussions which led nowhere and effected nothing the proposal was adopted. That very same night the new law was put into force, and a considerable quantity of native liquor which was being brought to Hongkong from Canton was seized by the excise officers and held until the owners had paid the duty. Such promptitude on the part of the Government to take advantage of the powers it had obtained was severely condemned by many who should have known better, but, after all, if the law is to be enforced it should be enforced at once, especially an excise law which is intended to act as a revenue-raising machine. So far no particular are forthcoming to show what the effect of the new duty has been on the wine and spirit trade of the Colony, but it cannot be gainsaid that the law has worked smoothly, which may be attributed to the tact and consideration of the officers who were specially appointed to see that any attempt at smuggling was nipped in the bud. We must confess we had fears that the illimitable powers conferred on these officers, enabling them to search at their merest whim and fancy the luggage of incoming passengers, of entering private houses at the instigation of some evilly-intended informer, of holding up vessels and questioning visitors whenever they thought proper to do so, would lead to gross injustice, and violation of the spirit of the regulations. Happily such has not been the case, although it can scarcely be hoped that all excise officers will continue to be equally discriminate and discreet in the performance of their irksome and occasionally unpleasant duties. As far as the revenue from the import duty on intoxicating liquors is concerned, the Governor has stated that he expects that in 1910, the collections will amount to no less than seven and a half lakhs—of which one lakh will go towards the maintenance of the excise service. The chairman of the Chamber of Commerce, however, is even more assured as to the success of the duty for he has declared that the amount which will be derived from the excise duty next year will be not less than a million dollars. It is all speculation to go into figures and nobody will be able to appreciate the value of the duty until the official statistics are ready for publication. In any case, the finances of the Colony are safe for another year. We mentioned that a Retrenchment Commission was appointed to find out whether it was possible to reduce the cost of official administration in the Colony. The members worked in camera, of course, and eventually produced a document which was a gem in its own way. It appeared that whenever they came across an item of a few paltry dollars allowed to some Government messenger who might have to tramp 20 miles a day it was rigorously struck out. Allowances for gas and trumpery matters of that sort were cut down with a ruthless hand. In one case a high official was mulcted in a very large sum for travelling expenses but when the seizer proceeded to turn over the pages of that particular department it was found that although he had been slobbered of his ricksha fare, he had actually received an increase of salary on another ground. As salary counts for pension the official in question is not only far better off now as the result of the labours of the Retrenchment Commission but he will experience the full benefits of its generosity when he decides to retire from the civil service. Not to put too fine a point on it, how could it be expected that the heads of the administrative departments in the Colony would seek to discover leakages in their own offices? In the end this farcical report which resembled the result of the mountain's labour was framed, scored and scored again by the Governor, and finally thrown into the nearest waste paper basket. It may be that some poor coolies were dismissed and some poor messengers have to walk where once they were allowed tram-fare—whereby the business of the Government has not been expedited or the speed of messages accelerated—but that is about all that the Retrenchment Commission with all its diving and delving after infinitesimal economies managed to achieve. Of the Trade Marks Bill we need say nothing more than that it brought the law of Hongkong into touch with the law of England, while the Railway Bill held down the rules and regulations necessary for the organiza-

tion of the line from Kowloon to Sam-chun—the British section of the Kowloon-Canton railway. It is expected that the first part of the completed line on the British side will be opened by the 1st of July next, while the through-line should be in full running order by the following year. As far as the Chinese section is concerned, the English engineer in chief, Mr. Grove, has been pushing forward the construction with the greatest energy and the first 30 miles from Canton should be carrying regular traffic by the middle of 1910. The foundation stone of the terminal station building at Tai-shan was laid on 7th of April so that evidence is not wanting that the Chinese officials are as fully alive to the ultimate importance of this line as the people of Hongkong. Indeed, we should not be at all surprised to find that the Kowloon-Canton railway is actually of more commercial value to the Chinese than to the British, but time alone can tell. That it will be years before it begins paying its way we have not the slightest doubt, but as His Excellency the Governor has said, let us be optimistic on that as well as on other points. One feature in connection with the British section of 23 miles or thereabouts is the magnificent staff that has to be maintained by a liberal and generous government. The new superintendent of the line, Mr. E. S. Lindsey, who has succeeded Mr. G. W. Ives, is in receipt of the lordly salary of £2,000 per annum while those immediately under him are paid proportionately. What the salary of a general manager would be if the line which he controlled extended to 50 or 100 miles we cannot imagine. The brain reels at the idea. We should certainly say that the post of engineer or superintendent of the Kowloon-Sam-chun line, and a single line at that, is worth far more than the office of Governor of the Colony. It is not our province to deal with stocks and shares, but in recording some of the features which have marked the year that is dying away it is impossible to refrain from touching on the invasion of the local market by rubber stocks originally floated in the Straits Settlements and in London. The unprecedented boom experienced in this stock to which Hongkong was entirely unfamiliar withdrew attention from the old established industries in Hongkong, which from a dividend point of view have maintained their sound position as regards both their earning power as well as their producing capability. This was notably the case with the sugar companies which in spite of an exceptionally good year for the refined article show only a comparatively inappreciable rise over the quotations in the closing week of 1908. The disastrous depression in the stock of the shipbuilding companies is accounted for by the increased competition both in the north and south, by the creation of Government docks and shipbuilding yards and also by the smaller fleets both of the British and foreign navies patrolling these waters. The Hongkong and Shanghai Bank has retained its pre-eminent position as the leading financial institution in China, but by diplomatic negotiations on the part of other foreign countries its exclusive claims upon the attention of the Chinese Government in the matter of the financing of loans has been successfully challenged and it has now to take the position only of a participant rather than that of a monopolist as regards accommodating China. On the question of land, it has to be recorded that there was little general inquiry during the year. Values continued to depreciate with certain exceptions and it is a safe indication of the condition of property when it is mentioned that in the revaluation by mortgagees of properties on which money has been advanced, surveys provide a 30 per cent. depreciation in almost every case, notably with regard to properties occupied by hoons and Chinese firms. Residential properties by reason of the fact that they are limited in number maintained more or less their value from the rental point of view. Turning to less speculative matters, it is satisfactory to note that, comparatively speaking, no great disaster occurred in the Colony. True, there was a miniature typhoon in October which did some damage, but as timely notice was given of its arrival the floating population were all snug and comfortable when the blow came. The *Ragnar*, a Norwegian steamer, bound from Singapore to Hongkong, was caught in a typhoon off the Paracels. H.M.S. *Astron* was sent to the rescue and brought the marooned crew, who were half dead, to Hongkong. There was a serious fire on board the German mail steamer *Lins Lindwig*, resulting in damages estimated at a million dollars. The bulk of the loss fell upon French underwriters who insured the valuable cargo of silk. As regards social events, Lord Kitchener visited the Colony and went away with one of the finest collections of Chinese porcelain in the Far East. Prince Shun and Admiral Sat were twice in Hongkong and Prince Arisugawa, followed later on by the Princess, passed through on his way to Europe. Viceroy Chang Jen-chun was relieved by his successor Viceroy Yuan Shu-chih, on the occasion of the former's proceeding to Nanking to occupy the position previously held by H.E. Tuan Fang. The Sino-Portuguese Delimitation Commission sat for four months in Hongkong but arrived at no conclusion and

the questions at issue stand apparently where they did. His Excellency the Governor unveiled the statues of Queen Alexandra and the Princess of Wales on the official King's Birthday and the new naval dockyard was formally opened on the same date with a naval review. But, of course, we could go on interminably at this rate. One feature of the year, however, which cannot be omitted was the recognition by His Majesty the King of the sound work of the Colonial Secretary during the past twenty-eight years in the civil service. As a Knight Commander of the Order of St. Michael and St. George, Sir Francis May received the congratulations of the entire Colony, the distinction having been included in the list of the Birthday Honours. And so the tale is told. The year 1909 may not have been an exciting period but it has been one of strenuous hard work, and we can only trust that the year to be ushered in tomorrow will ring in "the eager heart, the kindlier hand, ring out the battles of the land."

* * Owing to the publication of our exhaustive review of the trade of Hongkong in 1909, the present issue has had to be enlarged to one of twelve pages with forty columns of reading matter; which is record number for the *Hongkong Telegraph*.

LOCAL AND GENERAL.

THE next issue of the *Hongkong Telegraph* will be on Monday, 3rd prox.

A COOK in the Water Police was this morning fined \$15 for plucking a turkey alive.

THE Osaka Shosen-Kaisha's wall calendar for 1910 is an extremely artistic piece of colour lithography.

A SEAMAN belonging to the s.s. *Lyndhurst* was this morning given five days' imprisonment for being drunk and disorderly in Connaught Road Central.

THE "Watch Night" Service to be held at St. Andrew's Church, Kowloon, to-night will commence at 11 p.m. All friends are cordially invited.

MESSRS. Shaw, Tomes & Co. send us a large calendar for 1910, from Messrs. W. N. Strutton & Son, manufacturers of wire rope of every description.

THE Toyo Kisen Kaisha have as usual issued a remarkably fine calendar, indicative of the conveniences afforded on their European and American steamship lines.

FIVE men appeared in the Police Court this morning for gambling on board a junk. Two of the men were each fined \$50 while the remaining two were each mulcted in the sum of \$5. The junk was confiscated.

THE Hon. Treasurer of the Alice Memorial and Affiliated Hospitals begs to acknowledge with thanks the following donations to the funds of the hospitals:—

Hon. Mr. W. Rees Davies \$10

CALENDARS for the new year, according to the latest collection is from Messrs. Bradley & Co. by whom we are favoured with a date block advertising the Canada Sanitary Field, and wall calendar issued by the Northern Assurance Co. and the Manufacturers' Life Insurance Co. of Toronto, Canada.

WE are informed that the Yokohama office of the C. P. R. was yesterday morning in receipt of a Marconigram from the R.M.S. *Empress of China* (which left Vancouver on the 18th inst.) advising that she is due at Yokohama on the 31st inst. at 2 p.m. When the message was despatched the steamer was 1,400 miles from Japan.

THE cultivation of poppy for opium is now officially reported to have been prohibited throughout British territory in the Punjab, while the Native States in the Punjab plains are also being moved to put a stop to the production of opium. The stoppage of poppy cultivation has, it is said, fortunately synchronised with a notable enhancement in the profits of wheat cultivation.

WITH the object of encouraging the study of languages in the army the War Office advises that a sum of money will be placed annually at the disposal of commanding officers at certain military centres to provide for the instruction of officers. Grants will also be made to those who qualify as first-class interpreters, ranging from £14 for French to £50 for German and £80 for Russian.

HONGKONG LIGHTER ADRIPT.

PICKED UP BY S.S. "INDRAMAYO."

A derelict lighter reported to be drifting Lat. 19 Long. 116 E. painted red was picked up by the *Indramayo* at 2.40 p.m. in Lat. 5 deg. 45 sec. Long. 117 deg. 27 sec. *Indramayo* has now must have drifted quite 900 miles. The lighter was towed into Singapore on the 21st inst. by the *Indramayo*.

The vessel is one of two steel lighters, that had been built by the Hongkong and Whampoa Dock Co., Ltd. for the Viceroy's Department at Manila and which were lost at sea in a typhoon, while being towed towards Manila.

It is certain quarters it is believed that the lighter becomes the property of Capt. Thirkell. This theory is, of course, erroneous, as, according to maritime law, it is a case of salvage in which compensation will have to be paid to the Capt. Thirkell by the *Indramayo*. As the lighter was damaged before reaching the safe voyage to Manila, the salvage value will have to be adjusted between the *Indramayo* and the insurance company in Hongkong.

REVIEW OF HONGKONG TRADE IN 1900.

BRIGHTER PROSPECTS FOR SHIPPING.

RECORD PRICES FOR OPIUM.

A BOOM IN RUBBER.

SUGAR AND RICE STAPLES STEADY.

EFFECTS OF THE LIQUORS ORDINANCE.

As Lord Rosebery in a famous utterance declared that "the Nile was Egypt and Egypt was the Nile," so we in this Colony might well say that our Harbour is Hongkong, Hongkong is the Harbour. At any rate, in taking up a review of trade in the year which closes to-day, it would not be justifiable to discuss any branch of business without first giving consideration to the shipping which forms the backbone of the Colony's constitution. In this direction, unfortunately, the local freight market was anything but favourable at the beginning of the year and though it experienced the usual rush during the first quarter, with the opening of the Northern ports and later on with the coming of the new crop of rice from Siam and Indo-China, there was a general slackness throughout the middle of the year, and it was only towards the close that an upward tendency became apparent for forward rates; but this upward tendency is believed both by shipowners and charterers to be a stable one for the incoming twelvemonth, and many fixtures have already been placed by the big firms as well as by smaller investors. Though the rice crop in Kwangtung and Kwangsi has been damaged by

typhoons and floods to the extent of some 40 per cent, the crops in Siam and Indo-China are reported to be excellent in quality and bulk, so that there must be an increased demand for outside carriers from these countries to Hongkong, and Japan will doubtless supply its quota to the depopulated Canton stocks. As regards the bean and bean-cake trade from Vladivostok and Newchwang, advisers say that the crop is abnormally heavy, but it has largely—almost wholly—been bought up by buyers in Europe, and as cargo outwards is not easily procurable the big freighters out East will be in much demand for the home-ward trade and rates must necessarily enhance, whilst the devotion of these vessels to this branch of trade will naturally give greater scope for the smaller carriers, so that the freight market should continue to be very solid throughout the New Year—certainly much more so than it has ruled during 1900. So far as the import trade is concerned, the leading shipowners here declare that there is a slight but not very appreciable improvement, evidenced substantially by the diminution of business done by the Wharf and Godown Company. Another fact which went to show the state of the market was that a number of ships loading out from Europe had to seek fresh ports for the discharge of their cargoes apart from the older treaty ports, whilst there was also a difficulty in filling ships on the old coasting trade routes. A considerable number of vessels which had formerly been employed in the Far Eastern trade was laid up at home owing to the difficulty of procuring payable cargo. Regarding homeward business, there was a very

FAIR EXPORT FROM CHINA. In most classes of produce and also from the Philippines. The export of rice from Japan and Indo-China ports was very good and the bean export from Manchuria showed an enormous advance, with the result that difficulty arose in getting heavy tonnage to carry this freight booked for Europe. The import trade did not improve in the same ratio although it ruled better during the year than it had done for some time past. One satisfactory feature was that Chinese importers had practically wiped off all their old stocks and in future it is not likely that large stocks will be held. On the contrary, the policy of Chinese importers seems to be to live more from hand to mouth so as to avoid a recurrence of the financial crash which took place eighteen months ago, when several big firms both in Hongkong and up North had a very bad time and were only saved by the Banks. The homeward trade for opio is distinctly encouraging and the immense bean export from Manchuria is absorbing all the spare tonnage at very fair rates, so that steadiness may be looked for in this direction. Importers are doing very well, but nothing in the way of a boom can be expected, in the near future at any rate. There is no doubt that

IN A GENERAL SENSE the trade of China must increase enormously as years go on and as the railway system is connected up, with a consequent facilitating and cheapening of freights from the interior to the shipping ports; and in this direction European merchants and shipowners consider it deplorable that so much opposition is shown by the local "gentry" in the various districts where railways are desirable against the employment of foreign capital and foreign engineers for the construction of the several lines contemplated or in hand, for there can be little doubt, even among the Chinese gentry, after the sorry show made in the Hankow-Canton Railway affair, that both foreign engineers and foreign capital are necessary to carry out railway building enterprises as things stand at present.

While touching on this subject, it may also be remarked that a consummation devoutly wished for by European merchants is the establishment of an Imperial currency in China to replace the present system which to all appearance is subject to the whims and wishes of the viceroys who rule over any particular province in the Empire.

RECORD PRICES FOR OPIUM. The course of the opium trade has been an extremely tortuous one for the past twelve months. Those in a position to explain put it down, partly, to obstructive restrictions and vexatious regulations promulgated by the Central Government and which are rigidly enforced by the Provincial Viceroys who, in turn, see to their effective operation by the district and prefectural magistrates and yamen subordinates. The drift of the action on the part of the Chinese Government is, according to competent opinions, towards the formation of a Government monopoly for the purchase and sale of opium to the exclusion of British and foreign merchants. Good grounds exist which unmistakably point to the correctness of the assertion. Another reason to account for the fact of the exceptional condition of the opium market during the year just closing is to be found in the speculative tendency so much in evidence among the Chinese dealers here in Hongkong and at Shanghai from about the middle of October last onward. Speculative purchases, which enhanced prices in the first week of November to their record limit, were based on the reported wholesale curtailment of the area under poppy cultivation in Yunnan and Szechuan. With the exception possibly of the troublous times of the Taping rebellion when opium fetched as much as \$1,000 a chest in Nanking, never in the whole history of the opium trade in China has the commodity commanded the price that it did in November last when the Patna article was quoted as much as \$1,615 per chest. The reaction has since set in and for the same opium the closing quotation to-day is \$1,430 per chest. On the whole the year has been an extremely profitable one for all engaged in this particular branch of trade. The gross value of the importations of opium in 1900 is estimated at between thirty and thirty-five million dollars.

THE YARN MARKET may be thus briefly summarized: Although sales during the year show no improvement over those of the previous twelve months, the trade, as a whole, so far as Hongkong is concerned has been remunerative.

There has been a serious falling off in the importations of American flour into Hongkong, amounting to no less than 600,000 bags in 1900 when compared with the statistics of the previous year. As for Australian flour it was wholly eliminated from our returns of imports during the past twelvemonth, owing to the ready sale which Australian wheat fetched at remunerative prices in the European markets. In spite of the decreased importations the aggregate value of this staple commodity, based on the average market price ruling for the year, is over eight million dollars in round figures.

THE RUBBER MARKET. The rubber market, though quiescent, has been fairly well maintained during the past year and local brokers are confidently hopeful that in 1901 there will be an enhancement of business over and above what may be naturally expected from the general upward trend of the Hongkong market in all its departments.

A BOOM IN RUBBER. There has been a decided boom in the rubber market due to the phenomenal rise in the price of this product in the London market from 3s. 6d. to over 9s. per lb. but this appreciation was largely artificial owing to old stocks being let loose, and though rubber is now steady at about 7s. 6d. per lb. investors would do well to go carefully, as a depression—which may after all be only temporary—is prophesied by brokers who keep a keen eye on the London market.

THE STOCK EXCHANGE has been in a parlous condition throughout the year if we may except the introduction of an entirely new feature into the local Bourse of "rubber" stocks about the middle of the year. The shares of the Rubber Companies have almost entirely absorbed the attention both of the investor and speculator to the exclusion of all sound industrial concerns in Hongkong and Shanghai. Some small fortunes have been made in forward rubber scrip purchases, but the amount of local capital tied up in the new form of security to Hongkong investors is altogether out of all proportion to the comparatively small profits made. Quotations for shares of Hongkong concerns show no appreciable disparity to-day with those obtaining a year ago with the single notable exception of the once-considered gilt-edged security of the Far East, viz., shares of the Hongkong and Whampoa Dock Co., which are to-day fifty per cent higher

low the very low price at which they closed a year ago.

SILVER. The extremes of silver quotations during the year were 23d per oz. in May and 23 1/2d in March and during the week October-November, while the Bank's T.T. rates have been 1s. 9 1/2d. and 1s. 8 1/2d. per \$, respectively. There has been comparative stability in the prices of bar silver; the fluctuations have been small, indeed, when compared to what they were during the past eight years. Eliminating the speculative element, India and China as usual were the influencing factors determining the rise and fall in the price of the white metal whose prospects for the coming year, in view of the promising trade outlook in North China, show a hardening tendency.

SHIPPING. During the last two years the local shipping market has been largely overstocked; there have been more ships on the coast than the trade demanded. But in the natural course of events those bottoms which have been lying idle or only sparsely employed at low freights have one by one been withdrawn from the coast trade in the interval, and in consequence the freight market is now on a more equable footing as regards supply and demand. Rates have stiffened for the North, whence has come the best of news regarding both the rice and bean crop and several fixtures have already been placed to cover the rice exports from the Yangtze valley as well as the vast bean produce of Manchuria. According to reports from Saigon and Bangkok the rice crop in their respective territories has been exceptionally good, whilst Java sugar continues stable and the Manila product promises not only to keep well up to the standard of former years but to surpass anything that has gone before now that the Hongkong refineries are again in full swing. Certainly, the state of things to-day is incomparably better than it was a year ago and within the last month or two the freight market has improved much in favour of shipowners and agents, who confidently anticipate a continuance of this good streak well into the new year with few or no idle vessels lying on their hands.

FROM MONTH TO MONTH. For our detailed account of the state of the Hongkong Freight Market we are largely indebted to the periodical report issued by Messrs. Lambie and Rogge, ship brokers. In the early part of January no insignificant amount of chartering took place, mostly made up of fixtures of tonnage for coal requirements. From Saigon the centre of attention, at that period of the year, had now come to the effect that the rice crop was far short of anticipation owing to disastrous floods; whilst the Bangkok rice-fields also suffered from the floods and to such an extent that outside tonnage was not considered as likely to be required. This necessarily led to increased activity from the Yangtze, where the rice crop was good and unharmed, and the big companies regained a firm hold of the trade, which had been endangered through disagreements with the shippers. As the month proceeded, however, the Saigon market proved not altogether unremunerative, and charterers secured tonnage in Hongkong to the extent of some 33,000 piculs, whilst a few steamers were fixed for the Saigon-Philippines trade. The rates secured from Hongkong to Saigon—varying from 13 to 15 cents—were a fair index of the state of the freight market. Things slightly improved toward the end of the month and a Saigon-Java fixture was closed at 23 cents per picul.

A SLEIGH OF FEBRUARY. With the advent of February, it had been confidently anticipated that there would be signs observable of the Saigon rice trade broadening out, but up till the end of the first week of the month not a single order was traceable for any prompt or forward dates. This state of affairs was attributable to heavy stocks of grain held in Canton and a very sluggish rice market here; and hopes were not entertained that much improvement would make itself felt until March. Northern business, too, had been hampered by the intervention of the China New Year holidays, and a lively market was not looked for until the re-opening of the ice-bound ports. During the remainder of the month the freight market remained in an inanimate condition, southern freights in particular being a source of disappointment to owners who happened to have tonnage in position in one port or another. In places like Saigon, Bangkok and Singapore modern vessels were disengaged owing to lack of such employment as would leave even the smallest margin of profit. What little cargo there was moving in the Saigon-Hongkong trade was readily booked at 8 cents per picul by the vessels usually employed in the run. A few steamers found employment from Taitowan to Canton—one at 15 cents and the others at 10 cents per picul.

A FREIGHT WAR. In the ensuing month of March, Saigon business continued to drag considerably although there was a slight improvement of rates, which rose to 13 cents per picul. The first charter for the season was obtained from Newchwang at 25 cents to Canton, and it was calculated that the northern port would re-open about the 17th of the month. But the most important feature of the market was the sudden revival of a concern which had the year before been floated but which had disappeared from notice in the interval. This was a combination of Chinese and Siamese merchants, who were evidently determined to make a bold bid for a share in the traffic between Bangkok and Hongkong, hitherto monopolised by the North German Lloyd. With this end in view they chartered, for one year, six Norwegian steamers, which, all being of modern build, were eminently suited for the trade. The total carrying capacity of these vessels amounted to over 200,000 piculs. The birth of this concern had an undoubted bearing on the local market, for it meant that a freight war must ensue between the North German Lloyd and the new venture and that, consequently, outside tonnage would stand no chance of obtaining employment on the run during the season; while, on the other hand, these six steamers had no longer to be reckoned with in the Saigon trade, and it was anticipated that rates in general would be favourably influenced by the occurrence. During the remainder of the month, however, rates generally were far from satisfactory from the owners' point of view, and the Saigon trade was singularly inactive for the time of the year. Newchwang-Canton had two further charters, whilst coal tonnage from Japan was extremely scarce, several Moji-Hongkong inquiries, placed on the London market, being unresponded to.

A BETTER TONE. With the advent of May a better tone was prevalent in the freight market, owing to an increased demand for tonnage both in the South and up North and judging by the number of inquiries set on foot it was evident that the protracted period of depression, which coast shipping had passed through, was coming to a termination. The Saigon rice trade, too, had firmed up, and the rate had increased to 15 cents. From Saigon to Singapore one charter was fixed up at 14 cents per picul. Two Newchwang-Canton charters were booked at 23 and 24 cents respectively, two Saigon-Philippines settlements were reported at 25 cents, whilst several steamers were reported closed at 24 cents on the Saigon-Java run. Yangtze business was very lively and Northern freights generally were favourable. Coal was steady with rates showing an upward tendency. As the month progressed, the former surplus of tonnage entirely vanished and demand began to exert its influence. The Indo-China S. N. Co. and the China Navigation Co. being both well provided for in their own sphere up North, there could be no question of these two fleets interfering with other business, so that "outsiders" after a long spell of adversity found themselves in demand for employment worthy consideration. The Saigon rate rose to 17 cents. Several inquiries for the Saigon-Hongkong run were not taken up, as charterers were able to find more profitable employment up North. The new rivals of the North German Lloyd, before alluded to, had the first two of their six chartered boats loaded at Bangkok for Hongkong. Several Newchwang-Canton charters were fixed up at 30 cents. From Wuhu to Swatow and Canton, tonnage was eagerly inquired for with the rate standing at 22 to 23 cents. Coal freights continued firm and tonnage, as was scarce as ever. It was also worthy of note that two Scandinavian steamers had been taken up for short terms by Japanese shippers, who had decided to carry out a voyage against the three shipping companies hitherto monopolising the Hongkong trade.

THE LIVELY NORTH. Although freights in the South had shown a slackening towards the end of April, the Northern trade had more than made up for the deficiency, and in consequence of tonnage getting scarcer, and scarcer rates of freight from the Yangtze and Newchwang southwards improved further, being on the 1st of May 30 per cent. better than they had been a month previous. In consequence of the rice market becoming sluggish, charterers reduced the Saigon-Hongkong rate to 14 cents. The rate war between the North German Lloyd and the Siamese-Chinese combine now began to earnest, the former company booking cargo at 15 1/2 cents at anchor 18 1/2 cents formerly. Newchwang had several fixtures for Canton, the last one on a basis of 33 cents per picul—the highest rate on record since 1904. The Wuhu-Canton trade continued strong and more tonnage was asked for the Wuhu-Swatow and Wuhu-Hankow trade than could be obtained. In coal freights \$2.10 was offered from Moji to Hongkong, but even at that enhanced rate charterers found it impossible to secure tonnage. The Moji-Singapore rate stood at \$3 and the Wakamatsu-Canton rate at \$2.70 with no steamers obtainable. Towards the middle of the month the local rice market showed signs of improvement. Hullo had the first sugar shipments of the season to North China ports and the crop was described as excellent. The feverish activity from Yangtze ports had slightly abated but sufficient stocks of rice were still left to warrant the employment of outside bottoms in addition to the usual liners. The end of the month saw a practical collapse of the Saigon to Hongkong market, only two liners being settled, both at miserable rates. Advances from the North also reported a dull market there.

JUNE A DULL MONTH. With the incoming of June there was no improvement. On the contrary, the freight market was decidedly feeble and but few inquiries were made. Both up North and in the South the market was almost bare of orders. No recovery whatever had set in with regard to the Saigon trade and after the fixture of a couple of vessels at 10 cents no further tonnage seemed to be wanted. Advances from the North described the position of the market as having undergone a decided change for the worse. Export from the Yangtze had come to a standstill practically owing to the long continued absence of rain, in consequence of which there was no water in the inland creeks and the native boats, of course, could not bring cargo down to their shipping ports. An insignificant demand showed for the Newchwang-Canton business. Coal freights formed the only branch of the coast trade which did not participate in the general depression. As the month advanced, there was no improvement in coal freights. Owing to steamers being in ample supply, rates could not rise, and in some cases they had even further weakened. In the Saigon to Hongkong trade, one fixture was settled as low as 9 cents per picul. Two steamers found employment in the Saigon-Philippines trade at 25 and 24 cents per picul respectively. There was no room for "outsiders" from Bangkok to Hongkong, the entire business being absorbed by the North German Lloyd steamers and those of the new Chinese-Siamese S. S. Co., who appeared to have every confidence in the success of their venture, as they had just engaged for one year another steamer in addition to the six then employed, and numerous were

float that the fleet would be still further increased. Yangtze freights, which had looked so promising a short while before, were now practically dead. Coal tonnage remained in good request, though, naturally, rates suffered somewhat in consequence of the slackness of freights generally and the greater supply of carriers.

CONTINUED DEPRESSION. During the first half of June the freight market presented no fresh feature of importance, business continued to be restricted, and rates remained below the profitable mark. The same weak feeling prevailed in connection with the Saigon-Hongkong business and the freight rate receded to 8 cents, on which basis one of the steamers regularly trading was settled. A few charters were effected for the Saigon-Philippines run, at rates showing a downward tendency. Two vessels were chartered for the Newchwang-Canton run at 24 cents per picul, part cargo, and others were inquired for at the same rate whilst some demand existed for tonnage from Newchwang to Amoy with the result that two carriers were engaged at about 22 cents per picul. Northern freights, Yangtze business in particular, continued unfavourable. Coal was steady. The remaining portion of the month of July was worse than the two weeks that had gone before. The freight market continued to be very feeble and less business was done. The Saigon-Hongkong rate advanced to 11 cents, but the low stock of grain in the French port prevented charterers from going in for further operations. In the Saigon-Philippines direction, two fixtures were made at 21 and 24 cents per picul, respectively, but there was no further business reported. A Canton-Newchwang charter was done at the slightly improved rate of 24 cents per picul. Coal remained steady.

JOY ANOTHER BAD MONTH. With the incoming of August, the freight market continued to be very feeble with no immediate prospect of a change for the better. The Saigon-Hongkong rate remained at 11 cents without any fresh business being done. Three new fixtures were made in the Saigon-Philippines direction, one at 24 cents, one at 23 cents and the third at 21 cents—all for discharge at one port. There was also one Saigon-Singapore charter at 14 cents per picul. For the Newchwang-Canton trade two vessels were fixed at 24 cents per picul, but owing to a rise in the price of beans in the North there were no more orders in this direction. During the rest of this month the market remained in the same deplorable state, but there was a few fixtures for the Java sugar trade.

COAL A GLUT IN THE MARKET. Regarding coal freights, the heavy supplies received during the preceding two months had led to a glut in the market and the demand for tonnage had consequently eased off for the time being. The Moji rate, which had stood for some time at \$2.10, declined to \$2 and later only \$1.75 was offered. For Hongkong-Canton a suitable steamer secured \$1.60, but after this only \$1.50 was on offer. Some inquiry, which came to nothing in the end, was made for tonnage to load coal in Borneo for the Philippines and Hongkong. One fixture was made to bring Manchurian coal from Dally to Hongkong at \$2.10. The freight market touched

LOW WATER MARK. In September, during which month it went from bad to worse. The Saigon rate receded to 8 cents per picul and no fixtures were recorded. For the Saigon-Philippines trade a few charters took place at rates showing a downward tendency. The only hopeful sign at the beginning of the month was the firmness of the local sugar market and the fixture of two more vessels seemed to indicate that more tonnage would be wanted later on. Coal freights were slightly better. During the latter half of September the market did not improve in any way and fixtures were few. There was no demand for Saigon rice and consequently no new charters were placed. A fairly large business in rice had been prophesied as being likely to take place from Saigon to the Philippines if the rain held off much longer in the islands and two charters were made on the basis of 21 cents. It was recorded that the orders on the Saigon and Java markets had been picked up by the North German Lloyd Orient steamers at rates which were considered to be very low for the business by local owners and agents. As regards coal freights, there was, towards the end of the month, a slightly better inquiry for tonnage and several fixtures were concluded at much the same rates as those quoted above. The features of most interest in September were the opening of the Newchwang season, which led to several fixtures at the enhanced rate of 26 cents per picul, with a further demand for tonnage confidently anticipated, and the fact that the local

SUGAR MARKET WAS FIRM. During the first fortnight in October the sugar market became stronger than ever. Sugar freights from the Philippines to China had now firmed up, at any rate for the year, owing to the fact that all available stocks in the islands had been brought up by the United States at high prices. This was one of the immediate effects of the Payne Bill, but it remains to be seen how things will work out in the incoming year. Of course the probability is that all Philippine sugar will go to the United States in future unless China pays very high prices. The immediate consequence has been that China has had to go to Java for her entire sugar supply, leading to a good deal of outside tonnage being taken up, and it is more than probable that in future China will have to depend entirely upon Java for her sugar supply.

FREIGHT MARKET IMPROVING. During the first half of October, chartering operations had been on a much larger scale than what had been the average of late, due mostly to the opening of the Newchwang and Yangtze seasons. The Saigon-Hongkong rate had meanwhile receded to a nominal figure of 6 cents per picul, while a few Saigon-Philippines fixtures had been concluded at 24 cents, with more demand for tonnage anticipated. Two Saigon-Java charters were made at 20 cents per picul, which rate, however, would not have been accepted by the owners without a

sugar freight in return. For the rest of the month rates did not advance, notwithstanding that a strong demand for tonnage had put in an appearance and it was solely attributable to the scarcity of vessels and the extreme difficulty that owners were experiencing in making both ends meet, that numerous inquiries especially emanating from the North, could not be filled locally. On the Saigon to Hongkong market there was still next to nothing doing, the prospects of putting a vessel on the berth being so poor that some regular liners were compelled to look for employment elsewhere. Towards the end of the month the offering of freights was a little more free from Saigon owing to the Kwangtung rice crops having suffered badly from floods. Charterers were fixed up at not very satisfactory rates—two for the Philippines business, one for Java sugar, and a few for the Newchwang-Canton trade. Coal tonnage was practically unobtainable.

A CASUALTY. In reviewing this month's shipping, we regret to have to report the total loss of the well known coaster Norwegian, s.s. *Regnar* which went ashore on Mosey Island—Paracels—on a voyage from Singapore to Hongkong, loaded with a cargo of timber for Shanghai. The ship was abandoned by the crew, evidently owing to her dangerous position. Upon receipt of the news, the Danish salvage vessel *Protector* was despatched to the scene of the wreck, and after taking due observation as to the possibility of refloating her, it was concluded to start operations. However before there was an opportunity of putting into operation the scheme, bad weather set in and the *Regnar* was lifted by a heavy swell and foundered.

NOVEMBER MARKET FIRM. For the first half of November, freights continued to rule firm and a very much larger business would have been done but for the difficulty to meet inquiries. Tonnage remained very scarce and, especially as regards time-charter business, went charterers offered such low rates, that it was difficult to conclude fixtures. The demand for bottoms from the Southern rice ports had remained exceedingly slack, Saigon still standing at 8 cents. Northern business continued very firm and prospects for the near future were regarded as good. Tonnage for coal freight from Moji remained exceedingly scarce. As the month advanced, matters did not much improve. There were no actual charters for the Saigon-Hongkong trade, the liners scrapping together what they could get at 8 cents. For the Saigon-Philippines run tonnage to suit charterers was difficult to obtain, only two steamers being placed at 23 cents per picul. Reports from the North concerning freights described a weakness of rates, and notwithstanding the demand for tonnage the rise of freight rates has not been maintained. At the end of November no demand for tonnage for Yangtze loading for the South had yet come into the market. As regards coal freights fixtures had been more numerous, but tonnage, especially of big carriers remained scarce during the

FIRST HALF OF DECEMBER the volume of business transacted was on about the same scale as in the preceding fortnight, with rates slightly better in some instances. At the middle of the month there was still a certain scarcity of tonnage felt and a good many inquiries for freight remained unanswered. Against all expectations Saigon again came to the front with inquiries for prompt loading. This may be accounted for by the rice crop coming earlier than was expected, thus making millers desirous of getting rid of their old stock as soon as possible, as well as to the fact that the rice crops of the Canton River valley had been seriously damaged by the floods. The regular liners being unable to deal with all the trade rates jumped from 9 to 14 cents, but even at that rate no tonnage was procurable, as the price is not payable for a vessel which has to go to the port of loading in ballast. The lower price of grain led to several fixtures at fairly good rates from Saigon to Singapore. After the closing of Newchwang, importers of beans have had inducement to take up two boats from Dally and Chefoo to Canton—one at 25 cents and the other at 26 cents per picul. Concerning Yangtze freights a few charters have also been arranged in Shanghai from Wuhu to Canton and Chinkiang at liberal terms.

During the last half of December a slight improvement took place in the freight market so far as Southern trade was concerned, whereas reports from the North were to the effect that the market there was in a

STATE OF STAGNATION. For the Saigon-Hongkong trade the sudden demand for tonnage led to several fixtures ranging from 13 to 14 cents per picul. Further tonnage was not placeable afterwards on account of the depressed state of the local rice market and the exorbitant prices demanded for the old crop, which was reported to be almost exhausted. However, the prospects of the new crop were reported to be exceedingly favourable and the output may be looked forward to as a very fair average. Dally and Chefoo to Canton had two fixtures at the rate of 26 cents. Tonnage for coal from Moji to Hongkong was almost unobtainable. As regards time-charters, local Chinese in the belief that a firmer tone will prevail in the Spring took up two vessels—the *Ulu* and the *Fri*—for forward delivery at terms which have not been disclosed. Time-chartering, which brokers generally regard as a barometer by which the freight market can best be gauged, was limited to a few steamers only, but there is a general optimistic tone in shipping circles regarding the year which we enter upon to-morrow.

FREIGHT PROSPECTS FOR 1901. The prospects of the freight market for the incoming year are distinctly promising, owners and agents looking forward to the next twelvemonth with an equality which they were not able to assume at the beginning of the year 1900. Several charters have already been secured for 1901, as far forward as April-May, and contracts have been also placed by some of the large firms, including Messrs. Jardine, Matheson & Co., Messrs. Samuel, Samuel & Co., and the East Asiatic Co., whilst, as regards the ocean

trade, a fair index may be gathered from the fact that the Peninsular and Oriental S. N. Co. are already full up of cargo for the first four months of the year both for their regular fortnightly mail steamers and for the intermediate carriers with capacities ranging from 2,000 to 10,000 tons. So far as the Pacific trade is concerned, the outlook is decidedly brighter than a year ago, and a good year is confidently anticipated by owners. The coasting trade, which has undergone many vicissitudes in the course of 1909, has fairly stiffened towards the end of the year, and all classes of tonnage have been asked for, without charterers and owners coming to terms. But outside of that, several fixtures have been concluded on time-charter. The rice crop reports from Saigon and Bangkok are very favourable indeed, and the imports of this staple from Siam and Indo-China, as well as from Japan, is almost certain to exceed the imports from the rice countries of last year on account of the havoc which has damaged the Canton crop to the estimated extent of 40 per cent. In view of the improved prospects several charters have been done and inquiries are so numerous that the condition of the freight market may be safely said to point to a good year for owners and agents and to a full occupation of the coasting fleets which had been, so to speak, sitting their heads off for the best part of 1909 or else running cargoes at rates ranging just below the irreducible minimum.

FROM THE NORTH
come reports that the rice harvest is exceptionally bounteous and great quantities of the staple commodity are expected to be shipped from the Yangtze ports in the early part of the Spring. This points directly to a considerable number of outside steamers being once more in request at good rates for southern shipments. It has to be admitted, however, that all this is in the future. At the present moment the freight market is at a standstill practically, but a very substantial rush, gratifying both to owners and charterers, may be expected in the opening months of the New Year, as the supply and demand in the shipping market is on a sounder basis than it was a year ago and very much sounder than it was two years ago. As regards the

BEAN AND BEAN-CAKE TRADE
from Manchuria and Vladivostok the exports during the past year have been phenomenally large and there is every reason to hope that this business will be well maintained in the incoming year, for the harvest has been entirely favourable and large carriers will be much in demand. This means practically a stiffening of rates for homeward business, as there are not sufficient steamers of huge capacity in the local market to meet the demand, owners at home have a distinct disinclination to send out such vessels in ballast or only part-filled with cargo although homeward cargoes are so abundant. The only disconcerting note in the bean trade, so far as the local market is concerned, is that practically the whole of the Manchurian crop has been secured by home buyers, who have offered and had accepted prices which local buyers would consider to be unremunerative, but while this means that smaller carriers will be less in demand for the coast trade from Newchwang and Vladivostok southwards, the balance of tonnage should be well maintained by reason of the fact that the more favourable rates which are expected to rule for large carriers will cause certain withdrawals from other trade routes which vessels of smaller capacity can easily fill. For the Newchwang business, several fixtures have already been made as far forward as April-May at an average price of 28.6d. per ton, which rate leaves a very fair profit for owners. Other charters have been concluded for February-March-April delivery, which, in the general opinion, points to a good year to follow. On the whole, the outlook for the bean trade, in view of the present scarcity of tonnage, to secure forward steamers in order to fill contracts which have already been concluded and which must be met at the date specified, so that the freight market should prove sound not only in the early part of the coming year but throughout the twelvemonth as well.

OPIMUM
The closing few days of the year 1909 looked as if it augured well for the trade in opium during 1909, as, after weeks of inactivity, market assumed some life and a fair business was done. Prices continued to improve and the highest rate touched was \$1,135 for new Patna, and \$1,070 for new Benares. However, these prices could not be maintained as the unexpected rise in Exchange made dealers cautious. Another disturbing factor was the accumulating stock and this, combined with the rumour that

THE FEDERATED MALAY STATES
were going to increase the duty on opium imported, the market lapsed again into an inactive state. America at this time also stopped the importation of opium into the United States. Market in consequence became lifeless. Small sales were made in the middle of the month at \$1,100 for new Patna, \$1,050 for new Benares.

A QUIET MARKET
at the early part of the month, but towards the middle, owing to the lessening of Chinese holdings, a fair quantity was purchased at \$1,063 for new Patna and \$1,015 for new Benares. But at the end of the month a full took place which deepened into March and prices continued

TUMBLING DOWN
The prospects began to look gloomy and rates touched \$935 to \$940 for new Patna and \$900 to \$950 for new Benares and business was done only for requirements.

During the first few weeks in April market was in a

LANGUISHING STATE
a spirit now and then took place, and ultimately prices fell to their lowest point, viz. \$930 for new Patna and \$895 for new Benares. At the end of the month market appeared to liven up and prices advanced to \$770 for new Patna and \$995 to \$1,000 for new Benares. Rumours at this time began to circulate regarding the reduction of the Chinese cultivation of the poppy, and so the native drug advanced in prices.

THE HEALTHY TONE
at the end of April was maintained for some time in May and rates advanced to \$1,010 for Patna and \$1,000 for new Benares, and a fair amount of business was done. The rice continued and at the close of the month rates touched \$1,100 for new Patna—a rise of over \$100—but immediately after a sharp reaction followed and the market again receded and the month closed with \$1,055 for new Patna and Benares at \$1,075.

RESTRICTIONS IN CANTON
It was about this time of the year that the Canton authorities began to be rather insistent in enforcing their restrictive regulations to suppress opium dealing and smoking.

In the early part of June somewhat violent fluctuations took place, but it subsided immediately afterwards and the market became dull and rates declined to \$1,007 for new Patna and \$1,039 for new Benares. It continued its decline and the month closed with \$995 for Patna and \$1,033 for Benares.

A fair business was done in the first few days of July, but it slackened owing to the decline in India, and in sympathy with it local rates dropped to \$960 for Patna and for Benares \$970 was the nominal quotation. A reaction, however, followed later on when a demand set in and rates resumed an upward tendency. The month closed with \$977 for Patna and \$973 for Benares.

UNUSUAL ACTIVITY
In the beginning of August an unusual activity was noticed in the market, owing to the high prices fetched at the auction sale in India. A moderate business was done at \$995 for Patna and \$1,000 for Benares. Rates advanced higher later on, in sympathy with the rise in Shanghai, to \$1,030 for Patna and \$1,040 for Benares. The restrictive regulations in Canton, the enforcement of which began in August, assumed

A MORE VIOLENT PHASE
in September, and the Provincial authorities, to demonstrate more forcibly their determination in pursuing the anti-opium movement, arrested a Chinese dealer and to enforce obedience to their orders imprisoned him. This action on the part of the Canton authorities aroused the indignation of the local dealers who, as an emphatic protest against the action of the authorities, suspended direct business with Hongkong pending the release of the native dealer. After a couple months' imprisonment and upon the payment of the fine the man secured his release.

BRITISH REPRESENTATIONS
In the meantime consumers could not do without the drug and importers in Canton, accordingly, devised the scheme for "saving face" with the officials, by obtaining all their requirements by way of the West River ports. This roundabout method, though entailing a slightly higher cost in transit, had the effect of removing the deadlock which for a time paralysed trade with Hongkong, leading to a formal protest being lodged with H. M. Consul-General at Canton, through the Hongkong General Chamber of Commerce, by whom representations were addressed to His Excellency the Viceroy.

A WELCOME DEMAND
for opium arose from a quarter least expected, Saigon, at this stage, poured in orders for Hongkong and importers felt too eager to unload part of their stock at steadily advancing prices at a time when the Canton importers boded such gloomy anticipations, which, fortunately for the trade, never materialised.

EXCITEMENT IN SHANGHAI
While "market" was in a state of incipient agitation in the South, Shanghai also showed signs of an unusual activity, and dealers, here, following the lead, rushed up prices to \$1,093 for new Patna. This continued on into October, when, owing to a further advance in the China opium, a bidding feeling set in for a demand, and prices consequently jumped up enormous. By no much so that at the close of the month, new Patna fetched \$1,350 and new Benares \$1,150. The excitement became feverish early in the first week of November and a scramble was made for the Indian drug as the daily article enhanced in value and the unprecedented record, with the exception of the price fetched at the time of the Taping rebellion—\$3,000 per chest—was established with the highest price for new Patna at \$1,595 and new Benares \$1,590. The advancing prices of the native drug, which was attributed to the reported considerable reduction of its cultivation in the northern and western provinces, stimulated dealers to lay in a good stock of the foreign drug for replacement in the above provinces. It was more or

A SPECULATIVE OPERATION
than the needs of the moment, hence prices took such a high flight. But eventually, as usually, when there were no buyers, the market collapsed, as there was no authentic report to substantiate the news of such a considerable reduction as it was at first supposed. Prices in the middle of the month fell back to \$1,405 for new Patna and \$1,400 at the end of November, which was a normal price. However, in December, after a quiet term when nothing was doing, a reaction set in for immediate requirement and quotations were established at \$1,445 for new Patna and \$1,420 for new Benares. During the last few days of December, some business was put through at enhanced rates.

The lowest prices recorded for new Patna was \$1,200 and the highest \$1,625. During the closing week of the year the market has exhibited considerable strength and firmness. Rising by \$1 a day quotations close, as we go to press, at \$1,460 for new Patna and \$1,450 for new Benares. The tendency is towards higher values.

THE YEAR'S SALES
The turn-over for 1909 has been profitable alike to importers and dealers. Sales during the twelvemonth were effected to the extent of 16,800 chests Benares and about 3,000 chests Malwa. The average price for the former must have ranged between \$1,350 and \$1,400 per chest, while the latter commanded about \$1,300 per chest. In this review of the opium trade has not been included in any detail, since it was almost wholly bought by the Japanese.

Government for Formosa, and for all practical purposes may be left out of calculation in the computation of the opium trade for Hongkong. Taking as a whole, the authority we consulted estimates the value of the trade in 1909 in opium at between \$30,000,000 and \$35,000,000.

PROSPECT FOR THE NEW YEAR
For the year 1910, the prospect of the foreign opium trade will entirely depend on the movements of the Chinese authorities as regards the decrease in their cultivation, for in the reduction of the acreage, price will further advance more and more proportionately and it is only natural that the foreign drug will follow in its wake. The year 1910 finds the Government of India still going on with their reduction of 300 chests per month and also in this year they will decide as to the quantity to be reduced for the following three years.

THE YARN TRADE
To Mr. P. Eduljee, yarn broker, we are indebted for the subjoined brief summary of the Indian yarn trade, during the last twelve months.

Imports amount to 217,068 bales as against 210,175 last year, showing an increase of 6,893 bales, while sales aggregate 1,18,591 bales, as against 151,243 in 1908, showing a decrease of 12,652 bales. This decrease may be partly attributed to the absence of any material demand during the last two months, owing to very high prices demanded by holders and partly to the increasing competition of Japanese and Chinese yarn, as also of Japanese cheap cloth in the consuming districts.

The year opened with a very slack demand and only a paltry business was effected in January, almost the whole of the month being taken up with the settlement of accounts and the festivities of the China New Year. On resumption of business in February considerable settlements were made, and with occasional assistance from Shanghai the inquiry continued more or less active till the end of March when prices showed an appreciation of \$1 to \$7 per bale, and nearly 31,000 bales passed into consumption, exchange on India fluctuating between Rs. 130 and Rs. 132. During the greater part of April the market remained quiet, but at the end of the month another brisk demand from the country set in leading to a further advance of \$1 to \$3 per bale in prices and sales of over 35,000 bales. Under ordinary circumstances sales and prices would have shown a considerable increase but for the sharp rise in silver during May and June, which not only curtailed business but checked the upward tendency of the market. In July the rising tendency in exchange gave place to a weaker tone and simultaneous rumours of a short cotton crop in America encouraged dealers to re-appear in the market in great force. Buying was now resumed with more or less vigour throughout July and the greater part of August, when exchange showed signs of an advance, and a temporary depression was caused in the market, lasting throughout September. On the whole, however, the third quarter can be said to close with a satisfactory experience, the gain in values amounting in some instances to \$5 per bale, over 40,000 bales changing hands while prospects ahead appeared encouraging. October set in with a strong general inquiry consequent on the violent fluctuations in the American cotton, and about 22,000 bales changed hands, prices showing a further advance of \$1 to \$3 per bale. Business during the last two months has dwindled into a minimum, owing to almost prohibitory prices now ruling, and the year closes almost lifeless with a meagre stock of 14,000 bales to be carried forward.

In the beginning of the year best No. 10s. were sold at 110s and No. 20s at 83s. They are now quoted at 112s and 84s, respectively, exchange on India fluctuating between Rs. 128 and Rs. 131 throughout the year. Although sales during the year show no improvement over those of the previous twelve months, the trade as a whole, so far as Hongkong is concerned, has been remunerative. With cheap cotton, steady silver, and a less rate of prices throughout the greater part of the year, more than covering prices have been obtained, and if invoice costs are any guide to results the profits are more or less considerable and commensurate with the extent and volume of the transactions.

Our native dealers have not fared badly. Prices have been steadily rising throughout the greater part of the year and the country demand has been responsive. On June 30th, 1908, there were in all India 241 mills working and in course of construction, of which Bombay alone claimed 86, employing 7,736,811 spindles and 35,967 looms, employing 101,736 hands daily.

RAW SUGAR
The sugar merchants of Hongkong have every reason to congratulate themselves upon the operation of the sugar market during the year 1909. The market has remained firm throughout the twelvemonth and a rich harvest of profit has been reaped by most of the operators. From all sources, the amount of raw sugar imported is calculated in round figures at well over 3,000,000 piculs, valued roughly at \$35,000,000. Of our two great sugar refineries in Hongkong, Messrs. Butterfield & Swire's establishment at Quarry Bay has been in full swing with melts averaging 6,000 piculs, whilst Messrs. Jardine, Matheson & Co.'s sugar-house has been taxed to its utmost output of 3,750 piculs, and it is expected that their superannuated sugar-house at Bowringtown, which has been closed down for some three years, will be in working order again early in the incoming year, bringing the output of refined sugar by this Company up to a possible 6,000 piculs. The most important feature in the sugar trade of 1909 has been the passing of the Payne Bill in the United States. This enactment had led to the stopping of the supply of sugar from the Philippines, for when the new law came into force American speculators bought up all the available stocks in the islands at high prices, and so far as future crops are concerned they will likely find a similar destiny.

so that China must rely upon Java more than ever for her raw sugar supply. It is too early yet to speak of the prospects—good or bad—of the 1910 crop in the Dutch islands, as it will not come on until about May, but whatever happens there is every likelihood of a maintenance of that firm position which characterises the market at present. If a bad harvest should result the half million piculs of raw material held up in Hongkong godowns will be much appreciated in value, but on the other hand a full harvest will cause a slight slackening of the market without impairing its solidity. There is no stock of refined sugar held up in the Colony, as the demand from India, Ceylon, Shanghai and the Yangtze ports absorbs all the available supply. To hark back for a moment to the Payne Bill, it is worthy of note that before this became law Hongkong imported about 100,000 piculs annually from the Philippine Islands, but no anxiety is felt in merchant circles about the ability of the Dutch possessions to supply the deficiency. In a review of the sugar market, beet sugar has no place and may be left out of account, as the growers of this product cannot compete with the local cane-sugar, and the crops from Germany, Austria and Russia find a more or less lucrative market in Europe and America. The quality of the sugar imported from Java is of Nos. 13 and 14 Dutch standard and is of an average price of \$8.50 per picul. Of the estimated 14 million piculs of raw sugar imported into the Colony, about two million piculs were absorbed by the two local refineries whilst the remainder was re-exported to the North and the rest was melted down locally for the fruit and ginger preserve trade.

RICE
In bulk, the rice trade between Hongkong and Bangkok and the French ports of Haiphong and Saigon has been much the same as in the year preceding the present. In 1908 Siamese rice imported aggregated some \$22,000,000. This year the leading rice merchants calculate that from all sources the imports of rice have amounted to about \$25,000,000. During the year the Bangkok trade has suffered on account of the low exchange, the local standing now at 90 cents as against 60 cents in the early part of the year. But while the Bangkok rice millers suffer, the Hongkong dealers have been making good money. From both Saigon and Bangkok the reports regarding the new crop are very favourable indeed. From the Canton River valley, on the other hand, we regret to have received reports of disastrous floods and typhoons, resulting in the destruction of 40 per cent. of the crop, so that the rice shipments from the South are bound to be bigger than ever this year. On the whole, the market has held up very well during the year 1909, and prospects for 1910 are generally regarded as being extremely favourable.

FLOUR
To all appearances the high water mark in the flour trade was attained in 1907, if the figures for the two following years in succession can be accepted as any criterion whereby to judge the ebb and flow of the trade in this commodity with Hongkong as the distributing centre. With a falling off in imports in 1909 amounting to 915,000 bags as compared with 1908 and 1,227,000 as compared with 1907, showing, respectively, declines in imports of 22.41 per cent. and 35.81 per cent., Hongkong, it would appear, is losing much ground in this particular branch of trade. Tabulating the three-yearly statistics we arrive at the following:—

RECEIPTS IN HONGKONG
Years. 1907..... 1,227,000 bags.
1908..... 915,000 " "
1909..... 915,000 " "
From the above it will be seen at a glance that the shortage as against 1909 is, as already stated, 916,000 bags, as compared with the figures for the preceding year.

CAUSES OF THE DECLINE
Questioned as to the contributory factor of this enormous disparity, the leading authority in Hongkong on the subject of flour from the Pacific Slope, to whom we owe our obligations for our facts and figures, explained that it was almost entirely due to the invasion of Chinese territory by the products of the Shanghai mills. It is the territory South of Shanghai, i.e., Canton, Swatow, Amoy and Poochoo, that is wholly concerned.

TRIBUTARY TO HONGKONG
In former years all these ports were, commercially speaking, tributary to Hongkong, that is to say, that they drew their supplies of flour from the warehouses in the Colony. But the low price of silver and the high price of American wheat and flour has enabled the Shanghai mills to virtually capture the market comprised in the zone within Shanghai in the North and Hongkong in the South. Shipments to Canton alone from Shanghai, for the year, amount for about 300,000 bags. The absorption by the Southern capital of Shanghai-milled flour together with the new outlets provided by the Coast ports mentioned, practically made up for the loss in the trade between the United States and Hongkong.

THE FUTURE SHROUDED IN UNCERTAINTY
Whether the future will see the new conditions of things changed back to the old order depends largely—in fact, almost exclusively—on the European and American wheat markets and the low or high price of silver, always a determining factor in guiding the course of the import trade where gold-using countries are concerned. In other words, low silver and high wheat combine to mean dear flour, rendering prohibitive their entrance into countries whose inhabitants reckon their prices in silver. The same conditions, however, do not affect the flour business in North China, where its payment and cost of raw material are calculated on the basis of silver values, since the Chinese operatives are paid in the local currency of the country, and the wheat growers of Manchuria and neighbouring territory part with their grain in consideration for so many taels and cents, and not for silver.

THE MANCHURIAN MARKET
A perplexing problem arises in connection with the Northern market. It might have been reasonably assumed that Manchuria would have furnished a large consuming outlet for the products of the Shanghai mill-owners, that is, in certain years when the crops vary in Manchuria and Soochow and Yangtze ports, and American flour can gain a footing free of duty into the territory. Such a belief is erroneous, since the duties leviable by the Customs on Chinese-milled flour from the Southern port, in effect, acts as a prohibitive tax against its admission into Manchuria thus securing for the Russian mills at Harbin a virtual monopoly of the extensive territory around and beyond that radiating point of Russian commercial and political influence in the Province. The policy of

THE "OPEN DOOR"
in Manchuria so loudly proclaimed to the world at large would seem to be in practice only nominally existent, since the tax on flour effectively shuts the door against China herself as represented by the flour of the Shanghai mills.

Indirectly, American flour in small quantities is imported into the Shanghai and the Southern territory from the necessity which the consumers have to meet for mixing their flour with the American staple. Flour made in Shanghai is, according to expert opinion, a trifle damp and dark in colour and therefore requires a drier and superior flour to mix with it in order to reach the grade requisite for kneading into good bread. The Southern Chinese, having been once used to bread-stuff of a superior quality, mill-owners have to consider their idiosyncrasies if they would retain the valuable clientele provided by the Treaty ports of South China whose good graces Shanghai has succeeded in winning during the year. Much to the credit of the Northern mills they have to fight against the odds of climatic conditions which militate against milling operations and also against the lack of knowledge on the part of native harvesters in handling wheat which they do in the same way as garnering their staple grain—rice. It is the opinion of observers who are competent to express judgment, that the Chinese method of threshing the wheat after cutting does not tend to improve the grain which does not keep well unless it is put out long in the sun to dry. Besides, Chinese farmers harvest the wheat in a damp condition and naturally it remains damp much to the disadvantage of the millers.

NO AUSTRALIAN IMPORTS
The imports of flour into Hongkong for last year have been practically all from America. Australia, which made such a successful bid for the trade in 1907, following the anti-American boycott by the Chinese, this year did not enter into competition in this market at all, for the good reason that on account of the low rate of exchange ruling Australia was not able to do as much as name their prices, although crops in the Commonwealth have been reported to be uniformly good. They have, no doubt, found the European markets much more profitable wherewith to dispose of their products, while American millers sacrificed their profits across the Pacific in order to yield to the dictates of business parsimony by not losing their hold—if even for a time—on the Oriental market.

COMPENSATING OUTLET
The Colony's flour trade for the year would inevitably have suffered greater contraction in its small volume but for the fact that the Straits Settlements provided the compensating outlet to partially make up for the loss of the markets nearer home in Canton and the Fokien Province. Singapore and its hinterland have been large buyers of the staple commodity and have absorbed a large percentage of the imports from Pacific coast arriving in Hongkong. While it is true that the Northern market has been cut off from us, the South has come to the rescue and in some measure made up for the loss of the Colony's Northern constituents.

MR. PATTEN'S WHEAT CORNER
During the year the price for flour has not varied much in Hongkong except for the months of July and August when, owing to the wheat "corner" engineered in the United States by Mr. Patten, Chinese dealers were unable to import and had to be satisfied with the heavy stocks they held in the warehouses on the island. It was a fortunate circumstance that they could fall back upon their earlier purchases, since by drawing upon local supplies merchants were able to meet dealers' demands without having to resort to an increase in price to any material extent. Even though Hongkong is an admittedly big flour market, it is a curious fact that it is not always swayed, or follows, as an inflexible rule, the ups and downs of the American market. Dealers in the Colony often buy in the U.S. market and stock a considerable time ahead and by purchasing at the most favourable times are able to supply the wants in the East without being materially influenced by the operations of "bears" and "bulls" in the great centre of the wheat industry in the Pacific Coast. In fact, for the whole of the past year hardly a single period has been known when the Hongkong market has been on an even basis. Before the American harvest of this year, dealers here had contracted with the mills for six months' forward supply, and even at the present moment there is a difference of twenty cents (Mex.) per bag between the Hongkong price (in its favour) and the cost of importing the flour assuming that it had to be purchased at the prevailing rate in the existing market on the Pacific Coast.

A YEAR'S PRICES
The average price of flour in Hongkong for the year has been \$2.60 (Mex.) per bag; the highest point was reached in August when the quotation was \$2.72 per bag (Hongkong currency), having risen from the minimum quotation of \$2.50 per bag early in the year. Figuring the year's importations of 3,170,000 bags at the average price of \$2.60 per bag, the gross value of Hongkong's flour trade in 1909 is worth \$8,242,000.

FORECAST DIFFICULT
Whether the near future will bring about any material difference, it is difficult to hazard a prophecy. What is now high in the United States, but a reaction may set in at any time when prices will again become normal and so enable the American mills to come into the trade again and even re-capture the lost ground until this year supplied by way of Hongkong. On the other hand, the trade must face the fact that the American farmer has had the taste of high prices and he is a very difficult customer to haggle with. In the American farmers' to-day are found the biggest cliques of "bulls" operating in the American exchanges, and it will be opposed to their interest to see flour quotation at much lower figures.

Another factor to be taken into account in the formulation of an even approximately correct forecast is the absence of any large increase in acreage in the wheat fields of the world, while the demand for flour is increasing from day to day. It is just possible that in the course of time North China may alter the situation, altogether by putting large areas under wheat cultivation and so become a wheat producer. The growing demands for bread-stuff all over the world have not ceased to expand as is proved by the fact that the European markets are holding up well in spite of the excellent crop from Argentina and the bumper harvest which Australia is about to gather.

WINES AND SPIRITS
There was nothing very important to record in the wine and spirit trade during the early part of the year which terminates to-day. Business was brisk and merchants were well satisfied with the turn-over that passed through their hands. But a very great change came to pass when the Government decided in August that an import was to be put upon all liquors brought into the Colony. On the 17th September the Legislative Council passed the Liquors Ordinance which in its original form provided for the following duties:—

Per Gallon.
Brandy and liqueurs \$3.60
Whisky 2.40
Gin, Rum, and other Spirituous Liquors 1.20
Champagne 2.40
All other sparkling wines 1.80
Port, Sherry, Madeira, 1.50
Other still wines in bottle 1.20
Other still wines in wood 0.60
All other intoxicating liquors, excepting spirits of wine, and native wines and spirits 0.24

On all native wines and spirits:—
(a) Containing under 20 per cent. of pure alcohol by weight 0.15
(b) Containing 20 per cent. or over, and under 40 per cent. of pure alcohol by weight 0.40
(c) Containing 41 per cent. or over of pure alcohol by weight 1.70

Spirits of wine and arrack 1.00
Since the passing of this Ordinance, the liquor trade has not been so good as it was previously and the Christmas business has shown a most decided falling-off. In consequence of the heavy duties, the Chinese are not buying so much brandy and other European wines as they used to do, but have fallen back on their native *samsu* which pay only 2 cents per quart bottle as against 60 cents per quart bottle charged on brandy, or \$7.20 per case. As a result of this.

DISPARITY IN THE DUTIES
levied Chinese wines are naturally in greater request by Chinese consumers, and European wines and spirits are looked upon as a thing apart. One or two Chinese shops have given up the liquor business entirely so far as European liquors are concerned, as they have been unable to see their way to pay \$7,000 licence in view of the diminished demand for European liquors. In consequence, the *samsu* dealers are doing increased business. Spirits of wine—on which a duty of \$1.60 per gallon is levied—are largely exported free of duty to Canton, where these spirits are employed to a great extent in the blending of Chinese wines, and afterwards re-imported into Hongkong at the reduced rate mentioned above. As anyone can see at a glance, this practice virtually defeats the Government's intention of preventing spirits of wine excepting duty before being blended with Chinese wines. Only the other day a seizure was made by the Revenue officers of about 200 jars, labelled Chinese wine but containing nothing but spirits of wine. From purely a

HEALTH POINT OF VIEW
it is a mistake to think that *samsu* is a more wholesome liquor for the Chinese than what European wines are. The latter as a rule are devoid of toxic impurities, and, with the exception of some cheap foreign brandies and white wines, are not put on the market until reasonably matured, whereas Chinese *samsu* is offered for sale and consumption immediately after coming from the still, and is contaminated with toxic aldehydes, or, in other words, fusel oil. If the Government could see its way to make a reduction of the brandy duty to the same level as whisky—viz., \$1.80 per case—they might count upon an increased consumption and a consequent enhancement of the revenue derived under the Liquors Ordinance. Whilst the Chinese spirit consumer finds solace in resorting again to his native *samsu*, there is no such refuge for the European consumer, upon whose head falls the brunt of the enhanced taxation, and as it is a pitiful fact that the poor man is the biggest consumer the levies on liquors strike hardest of all on the class who are least able to bear it. It is, of course, too early yet to form a definite opinion regarding the effect of the new conditions which have arisen since the passing into law of the Liquors Ordinance, but it is within the province of this review to discuss the "pros and cons" of the introduction of a

REVENUE SYSTEM
into what has hitherto been a free port, with the probability that some "strong day" new Government may follow up the precedent set by the Liquors Ordinance and put a tax on tea, tobacco, or cotton yarn. On the

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whole, however, the wine merchants of the Colony do not consider the outlook as at all encouraging. If the Liquors Ordinance has come to stay, the public will have to grin and bear it, but it may not be out of place to suggest here that it is capable of being amended to some advantage. Under the present regime rebates are being given to the naval and military canteens and messes, whilst exemption has been granted for wines supplied for the use of vessels sailing out of the port and also export. All this necessarily entails a great deal of work both for the wine merchants and for the Export and Import Department. Why not adopt the system that prevails in Britain and the other British Colonies, where one import duty is levied on all liquors and rebates given for canteens, messes, ships' stores and export?

THE COAL MARKET.

The report compiled by Messrs. Hughes and Hough, whose courtesy in furnishing us with a copy we acknowledge with thanks, states that there has been only very little change between this year and 1908 in the Coal Market, the prices ruling slightly lower. Contracts made for 1910 show lower rates than those for 1909 and all the principal consumers have had all their requirements for the coming year provided for. The following is a general review for the year.

JAPANESE COALS.

About 925,000 tons arrived here during the year under review, this being about 75,000 tons more than the previous year. The Mitsui Bussan Kaisha, as in previous years, takes the lead, their importations amounting to about 500,000 tons, out of which 75,000 tons went to Canton. The Nippon Baihi Goshi-Kaisha continue to rank second, their total arrivals during the year reaching 225,000 tons. The balance is distributed among different coal importers, the most important of whom are Messrs. Bradley & Co. and Messrs. Atake & Co.

CARDIFF COALS AND PATENT FUEL.

The quantity that reached the Colony aggregates about 48,000 tons, out of which the Admiralty had some 20,000 tons discharged here and some 15,000 tons passed through bound North. Several small arrivals, amounting in all to 5,000 tons, went into the hands of the local dealers. Some 12,000 tons passed through Hongkong bound for Vladivostok and or Japan.

AUSTRALIAN COALS.

About 46,500 tons arrived during the year of which was for consumers. The demand for this coal locally has considerably fallen off. The strike at Wairarapa in the latter part of the year did not at all affect this market. As per telegram received during the month the strike has now ended.

KAIFONG COAL.

During the year under review, The Chinese Engineering and Mining Co., Ltd., opened a branch office in this port and imported some 52,000 tons, out of which 11,000 tons went to Canton.

HONGKONG COAL.

There arrived about 85,000 tons, half of which was for Canton, the balance for local industries.

PULO LAUT.

Five steamers with about 18,000 tons arrived during the year and found ready Chinese buyers.

LABUAN COAL.

Only one vessel with about 3,000 tons arrived during the year and the coal does not find ready buyers.

SEBASTIA COAL.

Three steamers with about 6,000 tons reached this port and the coal found ready buyers. There were used for trials and the reports given seem favourable.

DAIREN COAL.

Some 17,350 tons arrived during the second half of the year and most of same went to Canton.

SUNDRIES.

Four steamers with 4,700 tons of Duran coal reached here on their way to Canton, about 8,600 tons of Hapgood coal also passed through for Canton and some 6,200 tons also reached here from Khaba, half of which went to Canton and half bound North.

PETROLEUM.

During the year which has just closed the petroleum market has remained in what may be described as a normal state as compared with the state which ruled in 1908 and very much similar quotations have been booked. The Standard Oil Company, who, of course, remain the staple suppliers of the local market have no advance to report and the average sale rate continued to stand at about \$3.40 or roughly 10 to 15 per cent better than last year's figures, whereas a soft market is anticipated in 1910 although rates may not reach such a high level as they have touched in recent years when the stock has reached as high as \$6 per cask. On the whole, however, the tendency is considered to be upwards in the same manner as all the China trade continues to improve generally, so that we may look for an all-round solidity as far as the coming year is concerned.

LANDED ESTATES.

On the whole the property market has shown a marked improvement since last China New Year. In Wing Lok Street and Bonham Strand some properties have been sold at an appreciation of from 50 to 40 per cent, as compared with the prices ruling in 1908. There has not been much business done on the whole but what sales have taken place have been on a very much more satisfactory basis than was the case twelve months ago. On the Kowloon side numerous transactions have been carried out mostly by non-Chinese, and it is a matter of common knowledge that the Chinese are just awaking developments which are sure to cause upon the opening of the Kowloon-Canton railway, and which must have a very appreciable bearing on the landed property on the other side of the Harbour. This activity in the direction of the Kowloon has naturally led to an enhancement of values in the Island of Hongkong itself. A good deal of interest and curiosity is felt regarding the ultimate fate of

the old Post Office and Law Courts sites in Queen's Road, when the

NEW POST OFFICE AND LAW COURTS shall have been completed; but it is considered to be more than probable that the Government will put these valuable central spaces up to public auction and that they will realise on sale a very high figure owing to the admirable stance they will make for shops and offices. There was some talk of the vacant spaces being devoted to the purposes of a Central Police Station and Magistrate, but this will come to pass is a very remote probability considering the straitened exchequer of the local Government and the retrenchment reforms which have been recently set on foot in the Police as well as in other Departments. However, it will be two years or so before we have the new Post Office and the Law Courts in working order, and many things unlooked for may transpire in the interval. Quite a lot of inquiries have been made for ground for villas in British Kowloon and sales have been concluded at much higher rates than were quoted last year. Ground for the railway has been resumed by the Government at a rate of \$2.75 in Tsimshatsui whilst adjacent ground to the terminus is now being arbitrated upon prior to its resumption by Government also.

IN VAUMATI.

properties have changed hands but not at any appreciable advance on the prices obtaining in 1908. A feature of the market during 1909 has been the number of investments made by Chinese from Australia and San Francisco. These investors have been very active in speculation in landed property at the prevailing low terms with a view to an enhancement such as the state of the Colony's trade would seem to justify. There has been all throughout the year a very fair inquiry for properties in well situated parts of the city, such as Bonham Strand, Jervois Street, Wing Lok Street, Des Vaux Road, Connaught Road and Queen's Road—all of which points to the fact that investors—especially the Chinese—are of opinion that prices in the landed estate market have touched

LOW-WATER MARK.

Recently, the property known as No. 86 Bonham Strand was sold by auction to Mr. Leung Kwai-sang for Mr. W. On Cheung for \$10,000 after spirited bidding. No. 6 Bonham Strand, on the same site, was knocked down to Mr. Chuen Hing for \$14,600, whilst No. 384 Shanghai Street on the Kowloon side was sold for \$1,000 to Mr. On Kam Wai and No. 52 Connaught Road West and No. 1 Des Vaux Road West went to Mr. Chan Shui Shan for \$17,100.

On the upper levels in Hongkong Island Mr. A. Denison's residence in Conduit Road was sold, it is understood, for the sum of \$37,000. Another residence in the same district—viz. "Egna Cottage" in Seymour Road—was put up to auction by order of the mortgagee and, curiously enough, it was bought back by the first vendor, Dr. A. S. Gomes, at one-third the price at which he had originally sold it. In the case of the "Newlands" Estate, it was sold by order of the mortgagee and was acquired at the price of \$55,000 by Mr. H. N. Mody who since the purchase has applied to the Government for a very considerable extension in the Conduit Road direction, whereby a very fine approach is provided, nicely turfed and planted with palms and tropical shrubs. Almost the only other transaction worthy of note was the sale of one lot of Crown land, comprising sea-bed and foreshore, at Tse-kwa-wan, for which there was no competition and which was sold for \$15,830—a very small advance on the upset price.

One feature of the value of landed estate must not be lost sight of, and that is, in almost all survey reports, drawn up on behalf of mortgagees, properties of the Chinese description have been re-valued at from twenty to thirty per cent below the figures at which they were previously assessed.

On the whole, however, it has to be recorded that prospects in the landed property market are distinctly making for the better. Inquiries for villa sites on the Jubilee Road are frequently made, and once the new low level road is completed round the island there is every likelihood that this demand will increase still more. Meanwhile the opinion of the leading brokers is that a very favourable business may be looked for in the New Year and that the market will participate in the upward tendency which is already recognisable in all branches of the Colony's trade.

RUBBER.

That Hongkong investors have been carried away in the forefront of the rubber boom is only too apparent if one scans carefully the rubber share market. But should our local investors seek for any consolation in their eager plunging into rubber shares they will find at any rate a certain consolation in the fact that they are in good company, for both the London and New York markets are still on a sound basis although prices have steadily downwards considerably, whilst in Singapore and Penang, where the pulse of the market in most distinctly observable, large jobs and small are placing contracts for forward crops at a figure—well up to 75 per lb.—that points to a protraction of the favourable rates during the next two years, notwithstanding the fact that a temporary weakness is almost certain to ensue in the early part of next year. This temporary depression, however, does not necessarily mean that investors in the rubber industry need have any cause for alarm and the advice given by those persons who are intimately connected with the trade is to hold on even tighter than when rubber fell to rock-bottom prices twelve months ago. That it will go as low again is very far from probable, for the enhanced rates prevailing have made the export of wild rubber from Brazil payable, and to this cause is due largely the decline of the market to a more normal and substantial status. It is a well-known fact that the

BRAZILIAN TAXES.

on rubber exports are exceedingly vexatious and the collection of the staple itself from the

Amazon forests is very expensive, so that unless trade conditions improve, the South American as well as the Congo Valley article can only be put on the market when prices rule high—which consideration points more and more in the direction of the rubber market, having to look forward for the bulk of its rubber supply in the future to the Malay States, Ceylon, and Siam. There the conditions are entirely favourable to the rubber-grower and as is mentioned elsewhere, investors now have a sense of safety in the fact that the Malay States have been solidly confederated, with the addition of the three great Siamese States of Kedah, Tringganu and Kelantan—all of which are now comprised in British Malaya, whereas Johore State, which contains fine rubber country and includes amongst its planters the Pears Brothers of soap fame whose crops have secured top prices on the London market, is practically under British protection, so that from Singapore and to the borders of Siam, the whole peninsula may be safely said to have been merged into the British Empire. Before this came to pass there was a

NATURAL NERVOUSNESS.

on the part of investors to go in for rubber enterprises in the four States after mentioned by reason of the fact that the uncertainty of the governmental regime made them uneasy, but, happily, all this has passed away and money placed in the Malay Peninsula trade is as secure as though it were devoted to any solid concern at home.

On the other hand, so far as the getting of a fair profit on money invested goes, it behoves Hongkong investors to walk warily. Rubber stock has been so much watered in consequence of the boom which has occurred in 1909 that it has almost ceased from being a more payable speculation than the other solid industries of the Colony, which industries have naturally suffered in the market owing to the great amount of available cash tied up in rubber scrip. This has led to what might be described as a starving of our local industries, which, though they may be sound investments, suffer from the

FEVERISH STATE.

of the rubber market. Should such a slump in rubber recur as that which occurred in January last, it will spell disaster, but, whilst it is impossible to prophesy with any degree of verity, expert opinion is that the market will hold firm generally for the next two years. There is always the danger, too, from the investor's point of view, that synthetic rubber will be produced before long. Certainly some of the most acute brains in Europe and the United States are actively searching for a substitute for the natural product, the demand for which is growing every day for the various industries where its employment is indispensable, but it remains a solid fact that the supply and demand point to a very good market for the incoming year, whilst rubber is entering more largely into other industries both in Europe and America, and so far nothing can be shown as a sign that there will be a synthetic rubber put on the market in competition with Para rubber although some of the best brains in the United States and the Continent of Europe are actively engaged in the direction of the creation of a material to take the place of rubber at a cheaper rate than the actual product fetches. During the depression which came to a head about a year ago and had then existed for another year before that, rubber-growers of Ceylon and the Malay States cut down expenses to the lowest possible limit and this had a healthy effect on the industry which had been considered to be fairly free from any danger of surplus stock being got rid of hastily. As it happened, the growers were reckoning without their host. As regards the rubber market since the acquisition by Great Britain of the three great Siamese Malay States of Kedah, Tringganu and Kelantan which have now been incorporated in British Malaya investors have an increased and very justifiable security in putting their money into the industries of the Peninsula. The sudden rise of rubber in the year that closes to-day was nothing less than

PHENOMENAL.

At the end of 1908 it was offered at 4s 6d. per lb. first-class quality, and that was by no means rock-bottom price, for it afterwards fell away to as low as 3s 6d. per lb. But as the year progressed the market recovered wonderfully owing, no doubt, to stocks being held up in London and New York, with the result that prices stiffened up considerably and when the warehouse material was put on the market it proved utterly inadequate to satisfy the demand. In May first-class rubber was sold at 6s per lb. whilst in October first-class Kolumpong rubber fetched no less than 9s 7d. per lb. For a while it appeared that market prices would go even higher, but this anticipation did not solidify and the price receded steadily to 7s 6d., whereabout it stands to-day. Meanwhile there had been a feverish speculative spirit abroad in the market, as Hongkong as well as in other centres, but in the face of a declining market rash speculation gradually quite down and a saner tone prevailed. By those well qualified to gauge the position of things, there is every likelihood that there will be a further fall in the price of this staple in the Spring, but that it will endure for any length of time does not appear to be probable in view of the refusals for forward crops, which have reached as high as 6s 6d. for the 1911 harvest.

So great is the demand for rubber for the automobile in use that it is regarded as doubtful if the harvests of wild rubber will increase sufficiently to keep pace with the growing requirements, and the world will naturally have to look to the rubber plantations of Ceylon, the Malay States and Siam more and more to supply the wants of all the trades into which rubber enters as a vital factor. The output for 1909 of automobile tyres is estimated roughly at between \$50,000,000 and \$60,000,000, whilst the estimated output of rubber for 1910 is roughly calculated at between \$20,000,000 and \$30,000,000.

IN THE MALAY STATES AND CEYLON.

rubber cultivation can be carried on at a rate of expenditure that would be wholly

insufficient to tap the wild trees of the Amazon basin where the Brazilian taxation is so heavy and the expenditure so great that only a very high market price makes the rubber payable. We have heard rubber growers from the Malay States assert that their industry would still be upon a payable basis if the market price fell as low as 1s. 6d. per lb., and certainly 2s. per lb. would leave an appreciable profit.

PROSPECTS.

Before the boom began the holders of rubber shares were obviously nervous, but with the improvement of the market this weakness has disappeared. The reason for this nervousness is not far to seek. It was due in the first place to the fact that the industry was of a kind which the public had never been associated with before and secondly to the fact that they were entirely unable to gauge the future possibilities of this trade. Of course so far as the Malay States were concerned, it was only natural that investors should be backward in launching money in the various enterprises floated in that peninsula, so long as there was any question at all about the governmental security of the country; but now that British Malaya has become solidly federated and the three great provinces of Kedah, Tringganu and Kelantan have been incorporated in the Federation, investors can afford to place their monies in the Malaya's rubber fields without any qualms regarding the security of their investments.

STOCK EXCHANGE.

The year 1909 has been a comparatively better one for share business than its predecessor, although, in spite of expectations to the contrary, it closes with large depreciations in some of our local stocks. The Reserve of Gold in the Bank of England has been depleted, owing to heavy withdrawals to America and Berlin, due to heavy speculation both in the United States and Germany, and the effect has been an enormous rise all through this year in the American Market. In consequence of this, the Bank of England rate of discount has risen accordingly and the high rate of 5% has been reached. This, coupled with the high rate of exchange ruling, operated against the expediency of remitting money back to the Colony that had been sent to England at advantageous gold rates. Those who were, therefore, prepared to re-invest their capital in gold investments opportunely turned their attention to "Rubbers" with the result that practically all local stock, for the last six months, were left severely alone. Our local Bank, however, has been doing a fairly good business, and shareholders have benefited greatly in the way of increased dividends. The shares have been continually improving, and never in the history of the Colony have they advanced to such a high figure as that quoted during the course of this year. A few of the principal Marine Insurance stocks have done well during the early part of the year and appreciations in value of their shares have to be noted, but towards the close of the year some of the Companies suffered seriously from bad trade, with consequential heavy depreciations in their market quotations. Fire Insurances have been a quiet market, nothing of any importance occurring until about the latter end of the year, when prices rose steadily and maintained their positions until the close. The slackness in shipping experienced throughout 1908 continued right into the middle of this year, and in consequence shipping shares have suffered materially. Towards the close a brighter prospect is apparent and rates are beginning to recover, especially Indo-China, the price of which shows a decided improvement during the past few weeks. Refrigeraries have absorbed much attention, and closing rates show a considerable advance on prices quoted at the close of 1908. Both Docks and Wharves have suffered a great deal not only in sympathy with the general depression in trade but by reason also of strenuous competition. Hotels and Land shares have appreciated in value. "Rubbers" have monopolised the attention of investors while dabblers have also struck a good thing in them. During the six months of their introduction into the Colony, it can safely be said that over a million and a half of money has been diverted into that direction. The abnormally high price obtained for the raw material has opened out a new field for company promotion and hardly a week passes by without some new company, always over-subscribed, springing into existence both in the Straits and London. A very large business has been transacted in this line, and profits have in some cases been large.

Reviewing the various stocks as they appear in the Stockbrokers' Association list, we find that Hongkong and Shanghai Banks opened with buyers at \$80 at the beginning of the year, and from then onwards a steady advance as the result of firm buying brought the price up to \$102, and even as high as \$105 was paid for some shares. Towards the beginning of April a slight weakening tendency made itself apparent and the quotation receded to \$95 at which they remained fairly steady during the following five or six months. At the close a further inclination to buy is evident and after a few small sales at \$95 and \$97, further substantial lots could be placed at the latter rate. Market closes to-day at \$100. National Banks have appreciated somewhat, and this is not to be wondered at in view of the very limited number of shares obtainable in the market, and the price of \$45 buyers, at which they close, is purely nominal, as shares are very scarce.

Marine Insurances.—Some stocks under this heading have ruled weak, and a corresponding continued decline in prices has followed their equally unsuccessful year's working. Union Insurance was an exception. With the opening price of \$82, at which they were firm, backed by further reliable buying orders, a steady advance took place throughout the first half of the year, and \$84 was reached early in April. Expectations of an improved dividend helped to maintain the market value and shares kept very firm; in October we find they were quoted \$87, an dividend of \$47, being an advance of \$5 on the previous year's quotation. From this period onwards, they continued to rise and values at \$90 and even small sales

at \$90 were reported. In the last week of the year, however, a slight reaction took place and business was done at \$85 and \$86, with further possible buyers, this check in the upward tendency being probably due to the fire on board the German mail *Prinz Ludwig* in Hongkong harbour on the 14th instant when the estimated loss to cargo by fire and water was about a million dollars. Reliable information places the Union Society's proportion of loss at no more than half a lakh of dollars. Shares were wanted to-day at \$90. North China was the medium of only a small business as shares are firmly held and difficult to obtain. From Tls. 104 (the opening price of the year) slight fluctuations varying from Tls. 5 to Tls. 6 below or above this price have taken place, but they generally close strong with buyers. Yangtze commenced to show signs of improvement from \$175, and by the end of March the high price of \$225 was freely offered. The stock fairly well maintained its position from then onwards, and comparatively few changes in the rate occurred. Cautious closed rather weak at the termination of last year, and with the opening price at \$105 they soon declined to \$87. This price was maintained throughout the whole of April, and from then a further downward course was followed, in consequence of the very bad result of the year's working and as low as \$145 has since been accepted and even at this rate holders are more inclined to sell.

Fire Insurances.—In the two stocks under this heading, a decided improvement has to be recorded. China Fires opened with sales at \$105, and with the exception of a slight weakening towards the close of March have proceeded on a firm upward move throughout, closing with inquiries at \$118. Apart from its merits as an investing stock, the purchase of the Company's stock by another powerful organisation got abroad, which explains holders' inclination to part with scrips even at the present greatly enhanced price of the stock. The element of speculation is, almost wholly, removed from these shares which are held by investors for their reliably steady dividends. Hongkong Fires have likewise been a very firm market during the year and from \$325—the opening price—improved steadily to \$345 about the middle of July. Between this month and October an additional rise to the extent of about \$40 is recorded, and during this period a fair business was put through. The stock remained firm up to the end of the latter month when numerous selling orders came into the market with the result that the rate receded to \$370 at which they close weak with an inclination to sell.

Shipping.—In sympathy with bad trade, China and Manila have suffered to a considerable extent, and have declined to about half the opening price of \$14 at the beginning of January. During the first few months of the year a slump occurred and shares went as low as \$6, and even below this price has been accepted. This was the direct result of the very heavy loss the Company sustained in its past year's working. And as is usually the case with stocks of this kind, a reaction soon set in, and the price rose again to \$7, but the next few months saw a further decline and now they are out of favour and neglected at \$8. Douglas has been a very restricted market during the year and only slight fluctuations have to be noted. The price of Hongkong, Canton and Macao Steamboat Co.'s shares was well maintained during the first half of the year but towards the latter period with many firm inquiries the stock rose to \$31 and at one time shares were taken off the market at over this rate. Towards the end of October an easier feeling prevailed, and they were largely dealt in at \$31 (ex div.) and slightly under, but this was only temporary, as renewed buying soon brought the price back to somewhere about its old level. They are now firm at \$32, with only a few shares offering. Immunity from disaster or mishap during the typhoon season coupled with the recent visit of the American tourists should account for an improved balance in the Company's trading during the second half of the year. During the early part of the year, Indo-China were entirely neglected, and it was only sometime in April that they began to exhibit signs of a revival into comparative activity. Considerable speculation as to the prospect of a dividend for account of 1908 working took place, and from \$33, the price at which the stock closed in the previous year, they were forced up to about \$37 and between these rates they were largely dealt in. The stock suffered a tremendous set-back on it becoming known that the company was unable to pay any dividend on account of the heavy loss the Company sustained, and at one time hardly any buyers could be found. Confidence is now being restored, and with numerous firm buying orders on the market the price is steadily advancing. Shell Transports rose to about double its closing price of last year and the general opinion is that a further substantial rise will soon take place. The management have made a pro-rata allotment of one new share to every 100 old shares held by shareholders on payment of only \$1/- per share. Shareholders in this concern have benefited greatly in the way of dividends and the Company's earnings are yearly increasing. Very little business has been done in Star Ferries and with the exception of a slight variation in the price there is nothing of interest to note. Union Waterboats remained steady.

Refineries.—China Sugars after closing weak at \$12 1/2 at the beginning of the year improved to \$140 during the first six months. From this time onwards, further advances are noted, and when the figure of \$177 was reached about October, numerous selling orders appeared and a large parcel of shares was dumped on the market, causing a slackness which continued for some time. The very firm market for raw sugar has helped considerably to keep up the price in spite of the heavy speculation prevailing, and the approach of November saw a fresh rise in the stock, which continued until about the middle of December when as high as \$160 was paid. At the close, a set back has to be noted, caused entirely through the December Settlement, but signs of improvement

are visible, and the opening of next year will no doubt see a further advance in the price of this stock. Prospects for 1910 are better than ever and if the price of sugar keeps up large profits should ensue. Sugars have been subject to some slight fluctuations, and the highest price reached during the year was \$30. Perak Sugars, as a direct result of their successful planting of rubber, have experienced a considerable advance and at the close of the year show a rise of about 75% on last year's rate. This company is in a very sound position and it is rumoured that its profits for the next few years will be greatly enhanced.

Mining Shares.—In this line there is very little to report. Ranks fluctuated between \$5 to \$6 with a fairly big business about the end of June. There are sellers at the close at \$6 and it is possible a firm offer of between \$5 1/2 and \$6 would be accepted, but the stock is utterly neglected. This is due, no doubt, to the neglect by Straits and other investors who are now giving all their attention to Rubber shares. The per ton yield of gold has been increasing from month to month, the last four-weekly return published by the Company's new manager showing a gold recovery of as much as 749 dwts. to every ton of ore crushed from the Bukit Koman mines. Chinese Engineering advanced from Tls. 17 to Tls. 20 and in some instances Tls. 21 was obtained. An easier feeling now prevails and latest advices from the North export sellers at Tls. 16.

Docks, Wharves and Godowns.—All stocks under this heading, in sympathy with the general depression of trade, suffered a severe decline, the one exception being Kowloon Wharves. This stock rose from \$46 to \$64, in spite of the severe competition offered by Hells New Wharves and Godowns, and have well maintained their position. The company has entirely completed the re-erection of their wharves which were destroyed by the disastrous typhoon of 1906, and with the revival and expansion of trade which is anticipated with the completion of the Kowloon Railway there is no reason why their earnings should not again reach its old level especially as the terminus of the British section of the Railway will be contiguous with the Company's property. A further severe drop in Hongkong and Whampoa Docks has to be recorded bringing the price down to about half its value, at the opening of this year. All through the year, the severe competition as well as the falling off of trade were greatly felt by this Company, which furnish the explanation for the reduction of the dividend from \$4 for the half year to \$3. With a capable and energetic new manager, reorganising the whole establishment prospects appear more hopeful, and with the impetus which, it is hoped, trade is about to receive, the earnings of the Company should correspondingly increase. The quotation for George Fenwick's shows a decline of \$1 from the last rate of \$12, and it is doubtful whether buyers could be found even at a good deal under this rate. Shanghai Docks have not fluctuated much during the whole year, and although very little business has been done, the price kept fairly steady. The announcement of the usual half yearly dividend of Tls. 3 is welcomed by many and it is hoped the management might be able to pay a more substantial final dividend. Shanghai and Hongkong Wharves, after the disastrous drop experienced last year, ruled firmer and towards dividend time in March rose to Tls. 180. The disappointment of share-holders at the declaration of a dividend of only Tls. 6 per share coupled with the heavy speculative purchases, caused the shares to drop again and they have since been on the downward move. And as low as Tls. 121 was offered and accepted. At the close, however, a firm exists and buyers will probably pay Tls. 130.

Land, Hotels and Buildings.—Hongkong Land have been a firmer market and the rate which ruled \$92 at the beginning of the year is now \$102. Hongkong Hotels opened firm at \$85; but weakened towards the end of March when shares could be procured at \$80. In March they were quoted at \$73 and \$74 for the old and new shares, respectively, and this price was maintained up to a few weeks ago when they once more came into favour and the old shares were sold at \$77, and the new at \$45. The completion of their new building is anxiously looked forward to as it will greatly help to augment profits. Humphreys Estates have deteriorated in value in common with other stocks. A very strong demand set in about the middle of the year and shares changed hands freely at \$17, only to subside again in the following few weeks. The market closes very weak with sellers at \$8, without inducing buyers to come forward. West Points have not fluctuated much and remained between \$44 and \$46.

Cotton Mills.—In Shanghai Mills a further upward movement has set in and rates for all stocks, especially Zwoos, show a decided improvement on last year. The price of our local mill has not been maintained and from \$9, at which they opened, a gradual decline resulted, closing at \$6 sellers.

Miscellaneous.—Green Island Cements have been subject to a great deal of fluctuation and the price of \$10 is now \$7 1/2. During the past few months more buyers have come forward and the price is gradually improving. China Providents ruled fairly firm and a good quantity has changed hands. During the year, vast depreciation in the price of Sumatras occurred and from Tls. 190, they slumped, until as low as Tls. 100 was accepted. Shorts for December Settlement helped to raise the price and Tls. 137 1/2 is the closing rate. Langkai have also fluctuated very widely and after rising to over Tls. 1,150, dropped to Tls. 680. Towards the close they are picking up again and buyers have offered Tls. 940. Of the smaller stocks in this category, Hongkong Electric has advanced steadily and closed at \$10. China Biscuits showed a substantial rise when the payment of the year's dividend was reached and the price of \$14 when our got about that petroleum prices had been struck within the Company's requirements.

report proved a fabrication devised by "bulls" to rig the market. The temporary excitement notwithstanding, the position of the Company is a sound one, and the closing price of \$12 is temptingly good for investors possessed of spare cash. Peak Tramways have advanced to \$13; the second projected line has had to be abandoned owing to the opposition it has met. The Company is once again in the position of a monopolist as regards the control of traffic to and from the Peak. China Lights sold their Canton property in the course of the year; the shares of this company command \$5 in the market.

SILVER.
The fluctuations of silver during this year have been rather small compared with the last eight years. The highest point was reached in May with 24½ and the lowest in the beginning of March, and of October, and beginning of November with 23 1/16. The year opened with 23 3/16, but speculative purchases for the Indian Bazaar and purchases by China as cover against export trade soon brought the rate over 24. It seems that holders of silver considered 24 and higher a good price and sold freely, thereby checking any further advance. Stocks, bought by speculators in India, were accumulating and holders had to carry their stock until conditions in India improved to bring about larger purchases for the bazaar; supporting influences, however, were steady Continental purchases. In April the outlook for the Indian exchange began to look brighter. This, coupled with trade in China and speculation, brought silver up to 24½ in May, but it slowly gave way again as the demand for silver could not keep pace with the supplies from the United States and Canada. The exceptionally good crop in India, especially cotton, and the rise in the price of cotton has been a great factor in reducing the enormous stocks held by the Bazaars. In October a very good export business set in in North China, and heavy purchases for the Continent during November and December helped the price slowly up. America stopped selling freely and adverse trade conditions in China (import business) on a very moderate scale) helped further to strengthen silver, which stands quoted at the close at 24½.

The following figures we take from Mr. Th. Christian's yearly review—
HIGHEST AND LOWEST.

	T.T. Hongkong	Bar Silver	London Bank
Jan. 1899	23 3/16	24 1/16	24 1/16
Feb. 1899	23 3/16	24 1/16	24 1/16
Mar. 1899	23 1/16	23 1/16	23 1/16
Apr. 1899	23 3/16	24 1/16	24 1/16
May 1899	24 1/2	24 1/2	24 1/2
June 1899	24 1/2	24 1/2	24 1/2
July 1899	24 1/2	24 1/2	24 1/2
Aug. 1899	24 1/2	24 1/2	24 1/2
Sept. 1899	24 1/2	24 1/2	24 1/2
Oct. 1899	23 1/16	23 1/16	23 1/16
Nov. 1899	23 1/16	23 1/16	23 1/16
Dec. 1899	24 1/2	24 1/2	24 1/2

THE ADIEN: "No vehicles must pass one, two or more abreast." How is it done in Calcutta? The answer of course is sideways. Or do they pass at all? Give it up, and refer the question to the tailor who knows what a breast is or the cook.

THE M. M. Co.'s s.s. *Nira*, with French mail of the 5th December and mails from London of the 4th December, will leave Saigon on Saturday, the 1st January, 1910, at 4 a.m. and is expected to arrive here on or about Tuesday morning, the 4th January, 1910, and will probably leave for Shanghai and Japan the same afternoon.

COMMERCIAL.

TO-DAY'S EXCHANGE.

Selling.	
London—Bank T.T.	100/10
Do. demand	100/10
Do. 4 months' sight	100/10
France—Bank T.T.	226
America—Bank T.T.	43 1/2
Germany—Bank T.T.	83 1/2
India T.T.	133 1/2
Do. demand	133 1/2
Shanghai—Bank T.T.	75
Singapore—Bank T.T. per H.K. \$100	76 1/2
Japan—Bank T.T.	78
Java—Bank T.T.	108 1/2

Buying.

4 months' sight L/O.	100/10
6 months' sight L/O.	100/10
30 days' sight San Francisco & New York.	44 1/2
4 months' sight	45 1/2
30 days' sight Sydney & Melbourne	45 1/2
4 months' sight France	226
6 months' sight	226
4 months' sight Germany	83 1/2
Bar Silver	24 1/2
Bank of England rate	4 1/2
Sovereign	11 1/2

HONGKONG TIDE TABLE.

From Dec. 31st to 6th Jan. 1910.

HIGH WATER.				LOW WATER.			
Day	Time	Height	Day	Time	Height	Day	Time
Dec. 31	10 30 a.m.	4.0	Jan. 1	10 30 a.m.	4.0	Jan. 2	10 30 a.m.
Jan. 1	11 30 a.m.	4.0	Jan. 3	11 30 a.m.	4.0	Jan. 4	11 30 a.m.
Jan. 2	12 30 p.m.	4.0	Jan. 5	12 30 p.m.	4.0	Jan. 6	12 30 p.m.
Jan. 3	1 30 p.m.	4.0	Jan. 7	1 30 p.m.	4.0	Jan. 8	1 30 p.m.
Jan. 4	2 30 p.m.	4.0	Jan. 9	2 30 p.m.	4.0	Jan. 10	2 30 p.m.
Jan. 5	3 30 p.m.	4.0	Jan. 11	3 30 p.m.	4.0	Jan. 12	3 30 p.m.
Jan. 6	4 30 p.m.	4.0	Jan. 13	4 30 p.m.	4.0	Jan. 14	4 30 p.m.
Jan. 7	5 30 p.m.	4.0	Jan. 15	5 30 p.m.	4.0	Jan. 16	5 30 p.m.
Jan. 8	6 30 p.m.	4.0	Jan. 17	6 30 p.m.	4.0	Jan. 18	6 30 p.m.
Jan. 9	7 30 p.m.	4.0	Jan. 19	7 30 p.m.	4.0	Jan. 20	7 30 p.m.
Jan. 10	8 30 p.m.	4.0	Jan. 21	8 30 p.m.	4.0	Jan. 22	8 30 p.m.
Jan. 11	9 30 p.m.	4.0	Jan. 23	9 30 p.m.	4.0	Jan. 24	9 30 p.m.
Jan. 12	10 30 p.m.	4.0	Jan. 25	10 30 p.m.	4.0	Jan. 26	10 30 p.m.
Jan. 13	11 30 p.m.	4.0	Jan. 27	11 30 p.m.	4.0	Jan. 28	11 30 p.m.
Jan. 14	12 30 a.m.	4.0	Jan. 29	12 30 a.m.	4.0	Jan. 30	12 30 a.m.
Jan. 15	1 30 a.m.	4.0	Jan. 31	1 30 a.m.	4.0	Feb. 1	1 30 a.m.

DOCK RETURNS.

HONGKONG AND WHARF DOCKS.	
H.M.F.M.S. <i>Rainha</i> at Kowloon Dock.	Amelia
Hilary	"
Rio Lima	"
Robt. Leaband	"
Hongkong	"
Ascal	"
Hale Kong	"

TAIKOO DOCKS.

Wuhu	at Quarry Bay Docks.
Wenchow	"
Kuichow	"
Manchuria	"
Kuichang	"
Kuichang	"
Quat	"

Today's Advertisement.

ST. JOHN AMBULANCE ASSOCIATION LECTURES TO LADIES.

A SERIES OF LECTURES on "FIRST AID" will be given in the Victoria Hospital, Barker Road, the Peak, on TUESDAY at 3 P.M. commencing on TUESDAY, January 1st, 1910.

A SERIES OF LECTURES on "HOME NURSING" will be given in S. Paul's College on FRIDAYS at 5 P.M. commencing on FRIDAY, January 7th, 1910.

Ladies are requested to note that the continuance of these lectures must depend on the number of those who attend. Names should be sent without delay to the Hon. Secretary (Rev. F. T. Johnson). The fee for each course will be \$2. Books (50 cents each) may be obtained from the Hon. Secretary.

Hongkong, 31st December, 1909. [78]

VISITORS AT THE HOTELS.

HONGKONG.	
Adams, P. R.	Layard, Mr. and Mrs.
Alport, C. M.	R. de la Cruz & child
Backhouse, J. H.	Lloyd, Mr. and Mrs.
Beck, F. H.	G. T. and child
Berhard, Mr. & Mrs.	Logan, W.
Bryant, W. S.	Lover, E. G. B.
Buckridge, W. E.	Macdonald, D.
Buckland T. C.	Mackie, Miss
Burner, Mrs. W. C.	Marker, H. L.
Chambers, Miss E.	Marion, Mrs. C. H.
Chapman, Mrs. J. D.	Marshall, Dr. O.
Chapple, F. T.	Mathers, Mr. and Mrs.
Colvin, H. E.	W. A.
Condon, H. L.	McAllister, Mr. and
Cottle, J. E.	Mrs. Miss Hall
Cresshaw, Mrs. A.	McIntosh, G. O.
Curry, G.	Mickle, D. M.
Dallas, Mr. and Mrs.	Menagh, J. E.
Fearnley, A. E.	Mitchell, Mr. and Mrs.
Flanagan, G. E.	O. Berkely
Fuller, Denman	Morse, H. J.
Fulton, Mr. and Mrs.	Otten, G.
G. M.	Paetzer, R. L.
Gendosse, Mr. & Mrs.	Parker, R. H.
Gill, Miss E. H.	Parker, Capt. & Mrs.
Gill, Miss V. H.	Payson, Dr. & Mrs. G.
Graham, Mr. and Mrs.	Pybus, Dr. & Mrs. G.
Graham, Miss H. D.	Ray, E. H.
Griffiths, Mrs. L.	Rees-Davies, Hon. Mr.
Grimshaw, R.	W.
Grossmann, W.	Roberts, W. E.
Hales, Miss	Schneider, A. W.
Hall, Capt. T. P.	Sale, Mr. and Mrs. L.
Harrison, A.	Spalding, R. M., Surgeon
Hart, Mr. & Mrs. A. J.	and Mrs. A. D.
Hart, Mr. & Mrs. A. J.	Spittles, J.
Hart, Mr. & Mrs. A. J.	Squire, Miss A.
Hart, Mr. & Mrs. A. J.	Stois, Miss I.
Hart, Mr. & Mrs. A. J.	Strobel, Dr. and Mrs.
Hart, Mr. & Mrs. A. J.	Thompson, Mr. & Mrs.
Hart, Mr. & Mrs. A. J.	M. L.
Hart, Mr. & Mrs. A. J.	Thomas, H. P.
Hart, Mr. & Mrs. A. J.	Weed, Miss
Hart, Mr. & Mrs. A. J.	Wilkinson, H.
Hart, Mr. & Mrs. A. J.	Withington, Mr. and
Hart, Mr. & Mrs. A. J.	Mrs. J. W.
Hart, Mr. & Mrs. A. J.	White, D.
Hart, Mr. & Mrs. A. J.	Whitmarsh, A.
Hart, Mr. & Mrs. A. J.	Wood, G. G.
Hart, Mr. & Mrs. A. J.	

CRAIGSBURN.	
Caldwell, Mr. and Mrs.	Knot, Mrs.
G. A.	Rees, L. C.
Campbell, Rev. & Mrs.	Ritchie, A.
Cloister, H. W.	Smith, Crowther
Drew, Mr. & Mrs.	Smith, Mr. and Mrs.
Dr. & Mrs. E. E.	Grant
Hargreaves, Mrs.	Smith, E. Grant
Jackman, B. T.	Smith, Miss D.
Kydd, Mr. and Mrs. T.	Willson, G. L.

PEAK.	
Alabaster, Mr. & Mrs.	Hockaday, W. T.
Auld, Mr.	Hughes, Rev.
Archibut, Mr.	Humphreys, W. M.
Aubrey, Dr.	Jack, Miss
Autcut, E. F.	Jacks, P.
Bayard, C.	Jeffries, H. N.
Bayly, L. M.	Jergensen, Mrs.
Beall, Capt. and Mrs.	Knight, G. C.
Bedford, Col. and Mrs.	Lack, Mr. and Mrs.
Bell, Capt. and Mrs.	Lakin, Mr.
Bender, Mrs.	Leader, Lt. Col.
Brown, Mr. and Mrs.	Leister, Mr.
Campbell, Miss O.	Lindsay, Capt.
Campbell, Miss O.	Martin, R.
Champerio, Mr. and	May, E. A. G.
Chapman, Mr. and	Proby, R. A. M. C.
Coke, Lt. and Mrs.	Pybus, Major
Conland, Mr. & Mrs.	Rees, Mr. and Mrs.
Davy, Miss	Rees, Consul de
Dawson, Mr.	Sawyer, Mrs.
Dodgson, Lt. and Mrs.	Stacpole, Lt. Col.
Earle, Mr.	Sutherland, Mr. and
Edwards, Mr. & Mrs.	Mrs.
Fayrer, Sir Joseph and	Thornhill, Rev.
Finch, Capt. and Mrs.	Top, J. R.
Friedrick, Mr.	To, Mr. and Mrs.
Gunter, Mr.	Turner, Miss
Hancock, Mr. and Mrs.	Waring, Capt.
H. H.	Whetson, W.
Hastie, Mr.	White, Mr. and Mrs.
Hazleard, F. A.	Wilson, S.
Hell, P.	Wolf, Mr. and Mrs.
Highton, Eng. Comdr.	Wood, David
Hind, W. B.	Wrigley, Lt. Col. and
Hitchcock, Mr. & Mrs. Young, Mr.	Mrs.

ASTOR HOUSE.	
Abraham, E. S.	Helke, W. L.
Almasoff, Mr.	Herrens, L. G.
Bailliet, M.	Holt, H. O.
Beyer, H. Otley	Hyde, F. H.
Brook, A. de	Jackson, Mrs. Stanley
Clegg, M. T.	Kabe, A.
Cole, K. W. E.	Kammerling, Capt.
Coleman, C. G.	Kenneth, C. F.
Quill, Stewart	Lapicque, Capt. P. A.
Denny, Mr.	Lemmas, W. N.
Dreyfus, A.	Lochner, Mr. & Mrs.
Douglas, Mr.	and child
Dunrich, A.	Luc, F. X. de
Ellis, Mr. and Mrs. J.	Marker, H. L.
Evans, A. M.	McAulay, Mrs.
Eyre, H.	McAulay, Miss
Favetto, E.	McIntyre, E. R.
Foulbreton, B. de	Perkins, A. J.
Freese, Miss Z. A.	Prentiss, Mr. & Mrs.
Freytag, Hans, J. R.	Proudhon, W.
Garnod, A. E.	Raymond, Miss J.
Gallo, Mr. W. F.	Robie, F. M.
Garrison, Mr. & Mrs.	Rondon, Mr. and Mrs.
and child	
Gentilman, E.	Schiffner, A.
Gibson, A. J.	Smith, W. A.
Gilbert, Mr. and Mrs.	Strang, R. J.
E.	Wagner, C. J.
Ginkel, Van	Welbourne, Mr. & Mrs.
Gomes, A. T. M. de	Geo.
Hast, W. F.	Wiener, H.
Hawbury, J.	

Today's Advertisement.

THE CHINA LIGHT AND POWER COMPANY, LIMITED.

NOTICE is hereby given that an EXTRA-ORDINARY GENERAL MEETING of the above named Company will be held at the Offices of Messrs. SHAW, TOMES & CO., Victoria, Hongkong, on SATURDAY, the 15th day of January, 1910, at 11 o'clock in the forenoon, for the purpose of considering and if thought fit confirming as a special resolution the subjoined resolution which was passed by the requisite majority at the Extraordinary General Meeting of the Company held on the 30th day of December, 1909.

That the Articles of Association of the Company be altered.

1. By inserting therein immediately after paragraph 4 of Clause VIII. a new paragraph as follows:—

5. Whenever the Capital of the Company is divided into several Classes of Shares all or any of the rights and privileges attached to any Class may be modified altered sub-divided re-arranged or dealt with by Special Resolution of the Company passed pursuant to an Agreement in writing made between the Company and some member of the Class purporting to contract on behalf of the members of the Class provided such agreement shall be ratified by Extraordinary Resolution passed at a separate Meeting of the Class or by writing under the hand of the holders of at least two-thirds of the Shares of the Class and it shall be no objection to any such Agreement that it provides for a reduction of Capital otherwise than in accordance with the legal rights of the holders of shares of the Class or for the payment of a dividend or bonus otherwise than in accordance with the rights of the Holders of the shares of the Class or for the allotment of shares credited as fully or partly paid up in satisfaction or part satisfaction of such dividend or bonus and for the purposes of this Clause a Resolution shall be an Extraordinary Resolution when it has been passed by a majority of not less than two-thirds of such members of the Class entitled to vote as are present in person or by proxy at a separate General Meeting of the Class of which Notice specifying the intention to propose the Resolution as an Extraordinary Resolution has been duly given and so that the quorum of any such Meeting shall be three members at least of the Class and so that the Meeting shall be called in accordance with the provisions hereof.

2. By inserting immediately after paragraph 4 of Clause XVI. a new paragraph as follows:—

8. Any General Meeting declaring a Dividend may direct payment of such Dividend wholly or in part by the distribution of specific assets and in particular of paid up shares Debentures or Debenture stock of the Company or of any other Company or in any one or more of such ways and the General Managers shall give effect to such direction and where any difficulty arises in regard to the distribution they may settle the same as they think expedient and in particular may issue fractional Certificates and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest as such specific assets in Trustees upon such trusts for the persons entitled to the Dividend as may seem expedient to the General Managers. Where requisite a proper contract shall be filed in accordance with Section 7 of the Companies' Act, 1900, and the General Managers may appoint any person to sign such contract on behalf of the persons entitled to the Dividend and such appointment shall be effective.

Dated the 31st day of December, 1909.
By Order,
SHEWAN, TOMES & Co.,
General Managers.

NOTICE.

IN terms of Government Notification No. 1804 of 17th December, 1909, the following days will be observed as BANK HOLIDAYS:
TO-MORROW, 1st January.
MONDAY, 3rd January.
Hongkong, 31st December, 1909. [865]

Intimations.

Soured Milk.

Specially prepared from pure cultures of selected lactic ferments.

26 Cents per pint.

Orders must be sent in twenty-four hours in advance.

THE DAIRY FARM CO., LIMITED.

Hongkong, 16th December, 1909. [38]

ASAHI BEER SAPPORO BEER

TO BE OBTAINED FROM ALL WINE DEALERS

FIRE INSURANCE ASSOCIATION OF HONGKONG.

XMAS AND NEW YEAR HOLIDAYS.

IN Terms of Government Notification No. 1804 of 17th December, 1909, all FIRE INSURANCE OFFICES will be CLOSED on the following days:—
TO-MORROW, the 1st January.
MONDAY, the 3rd January.
By Order,
A. R. LOWE,
Secretary.
Hongkong, 31st December, 1909. [867]

MARINE INSURANCE ASSOCIATION OF HONGKONG.

XMAS AND NEW YEAR HOLIDAYS.

IN Terms of Government Notification No. 1804 of 17th December, 1909, all MARINE INSURANCE OFFICES will be CLOSED on the following days:—
TO-MORROW, the 1st January.
MONDAY, the 3rd January.
By Order,
A. R. LOWE,
Secretary.
Hongkong, 31st December, 1909. [868]

YEE SING.

No. 21, D'AGUIAR STREET.

MANUFACTURE WHOLESALE AND RETAIL DEALERS in all kinds of hand-made DRAWN AND EMBROIDERED CHINESE LINE GRASS CLOTH, FEWTER, "WARE," &c.

all of the best quality.
Hongkong, 17th December, 1909. [879]

Shipping.

Arrivals.

Yunnan, Br. s.s. 1,206, Jussar, 30th Dec.	Haliphong 26th Dec. and Hoihow 29th, Gen.—B. & S.
Prometheus, Br. s.s. 1,183, Geo. Moly, 30th Dec.	Shanghai 27th Dec. Gen.—B. & S.
Oscar II, Norw. s.s. 1,990, Kjos, 30th Dec.	Hongkong 27th Dec. Gen.—Wallem & Co.
Anglin, Ger. s.s. 1,001, C. Kumpel, 30th Dec.	Bangkok and Hoihow 29th Dec, Rice.—B. & S.
Halmon, Br. s.s. 636, J. W. Evans, 31st Dec.	Swatow 30th Dec. Gen.—D. L. & Co.
Hongkong, Fr. s.s. 730, A. Cornelissen, 31st Dec.	Haliphong 27th Dec. Gen.—A. R. M.
Yunnan, Fr. s.s. 4,213, Lerequier, 31st Dec.	Singapore 22nd Dec. Gen.—M. M.
Anhui, Br. s.s. 1,350, J. B. Harris, 31st Dec.	Canton 30th Dec. Gen.—B. & S.
Kwongtung, Br. s.s. 1,428, W. P. Baker, 31st Dec.	Canton 30th Dec. Gen.—J. M. & Co.
Teau, Br. s.s. 1,345, A. W. Osterbridge, 31st Dec.	Manila 28th Dec. Gen.—B. & S.
Daiya Maru, Jap. s.s. 1,735, Kobayashi, 31st Dec.	Wakamatsu 25th Dec. Coal.—M. B. G. K.
Asosan Maru, Jap. s.s. 1,217, J. Matsubayashi, 31st Dec.	Wakamatsu 24th Dec. Coal.—M. B. K.

Departures.

Derflinger, for Shanghai, &c.	Prins Sigismund, for Manila.
Palawan, for Singapore.	Derwent, for Saigon.
Amigo, for Hoihow.	Bank Thuan, for Haiphong.
Namsang, for Calcutta.	Mahida, for Pakhoi.
Hanoi, for Haiphong.	Chuan, for Shanghai.
Swatow, for Kobe.	Oscar, for Saigon.
Phanrang, for Bangkok.	Bruner, for Singapore.
Yunnan, for Manila.	Serchum, for Chioo.
Z. for Manila.	Amigo, for Hoihow.
Hanyang, for Canton.	Tomoya Maru, for Tairen (P. Auture).

Passengers arrived.

Per *Palawan*, from Swatow—Messrs. Fan Fie Po and Fo Chun Kai.

Passengers departed.

Per *Palawan*, for London, &c.—Acting Engineer Alfred Pollitt, R.N., Messrs. F. Wilks, Griffiths, Sergt. T. Ewen, R.O.A., Messrs. W. Broadbent, C. G. Coleman, A. G. Sparry, Mr. and Mrs. Porter, Mr. McDougal, and Mr. and Mrs. Stevenson.

VESSELS IN PORT.

STEAMERS.	
Apollo, Br. s.s. 2,433, H. V. Ray, 27th Dec.	from Mauritius, Gen.—J. M. & Co.
Ascania, Ger. s.s. 1,291, Clausen, 29th Dec.	Canton 29th Dec. Gen.—H. A. L.
Chingtu, Chi. s.s. 2,250, A. Augensen, 26th Dec.	Tsingtau 21st Dec. Salt.—Wallem & Co.
Chio Jaru, Jap. s.s. 1,342, W. W. Greene, 27th Dec.	San Francisco 30th Nov.
Honolulu 6th Dec. Yok. bama 19th, Kobe 20th, Nagasaki 22nd, and Shanghai 24th, Gen.—T. K. K.	
Clam, Br. s.s. 2,510, L. Bland, 11th Dec.	Singapore 2nd Dec. Petroleum in bulk—A. P. & Co.
Daiya Maru, Jap. s.s. 1,735, Kobayashi, 30th Dec.	Amami, via Amoy and Swatow 28th Dec. Tea and Gen.—O. S. K.
Daiya Maru, Jap. s.s. 1,735, Kobayashi, 30th Dec.	Wakamatsu 24th Dec. Coal.—M. B. G. K.
Devawongse, Ger. s.s. 1,050, F. Rehwaldt, 27th Dec.	Swat

The Hongkong Telegraph.

MAIL SUPPLEMENT.

(ESTABLISHED 1881.)

NEW SERIES No. 8073

日九十月一十年元統宣

FRIDAY, DECEMBER 31, 1909.

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CONTENTS.

Births, Marriages and Deaths.

Leading Articles:

Americans in China.

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A Chinese Redemption Scheme.

Looking Backward.

Telegrams:

The Shanghai Taitai.

The Waiwupu.

Peking-Hankow Railway.

Hai Shih-ching.

Sir Chen-tung Liang Cheng.

Huoh-Hopah Railway.

Chien-lao.

Tibet.

Viceroy of Chihli.

Meetings:

The China Light and Power Co., Ltd.

Campbell, Moore & Co., Ltd.

Ewo Cottons.

Sandycroft Rubber Co.

Miscellaneous Articles and Reports:

Review of Hongkong Trade in 1909.

Clark's Tourists in Canton.

Police Recreation Club.

New Penang Steamer.

Police Ball.

Notes by the Way.

The P. and S. N. Co.

Canton Athletic Sports.

The Far East in Parliament.

Bellevue Public School.

The Minerals of Indo-China.

Gumbot Rio Lima.

Fire at Quarry Bay.

Cricket.

Hockey.

Raising Silver Prices.

Fire at Macao.

Rubber.

Boys' Own Club.

Hongkong Jacky Club.

Canton Day by Day.

The Macao Boundary Question.

The Prates Telegraph Station.

Robbing the Mailbags.

The Progress of China.

The Revolt of the Empresses.

Posthumous Honour.

An Interlop Corp Coup.

Loss of a Japanese Destroyer.

The Seoul Tragedy.

The Dutch in the Far East.

Four Great Fires.

Foreign Merchants in Japan.

Japanese Cotton Yarn.

The Business Half-Year.

Hongkong-built Vessels for Manila.

Opium Smuggling.

Hongkong Lighter Accident.

The Raub Australian Gold Mining Co., Ltd.

N. D. L. to Borneo.

Kitchener's Narrow Escape.

Rubber Profits in 1912.

Commercial:

Yam Market.

Share Market.

Bullion.

Exchange.

Local and General.

means possible to avert the evil day which at one time seemed to loom in the dawn of the future. It is for that reason we would say that 1909 has been the year of experiments, of the year iconoclastic, the year when old principles have been flung to the winds and new formulae adopted. Who would have imagined even two years ago that we should have an exclusive service in full swing in Hongkong long before the end of 1909? Who would have dreamt that we should have commenced operations in connection with the erection of Hongkong University—a building which is to be opened within the short space of two years, with students attending from all parts of China? It was only on the 5th of January last that Mr. H. N. Mody gave practical effect to the scheme to establish such a centre of education in Hongkong by offering to provide the sum necessary to pay for the cost of the actual structure on condition that others furnished the equipment and endowment funds. Very few of us gave much thought to what was deemed a very visionary if desirable scheme, for what did it mean? It meant that within a certain period which was extended till the 31st of December—or a year altogether—subscriptions amounting to something like a million and a half dollars had to be raised. Now where was that money to come from? The idea was ridiculous said the majority of people who gave the matter a second thought, preposterous and futile. But His Excellency Sir Frederick Lugard pegged away at the subject, and dragged it before the public at all seasons, interested the leading Chinese in the affair till they found themselves wondering why they should be so interested in a scheme which seemed so very fantastical after all. Once that germ began to sprout the rest was comparatively easy, although it was uphill work right along. Only when the Viceroy of Canton sent along a couple of lakhs of dollars and another Chinese gentleman had promised a like amount, and Messrs. Butterfield and Swire had contributed nearly half a million dollars and the other big firms and corporations in the Colony had contributed their moiety was success assured. No doubt such a result will not be greatly enjoyed by the noble and reverend lord who proposes to establish a sectarian college at Shanghai or Hankow or some other place, a college where the students will be mechanically turned into sanctimonious saints and plaster divinity, but Hongkong is not bound by the 39 Articles or the wisdom of the shogun-hats. When we remember that according to the reckoning of the University Committee the students attending the classes are expected to number 500 to 1,000 we scarcely think there will be very much need for the noble and reverend gentleman's college of decorum. But, of course, it is profitable to prophesy unless you know. Probably, then, the realization of the Governor's aspirations to see a university established in Hongkong is about the most important event of the year. There is always this about it, however, the promoters perpetually harp on the advantages to be derived from the education of Chinese youths drawn from the interior to Hongkong in order to participate in the benefits of a university education. We are told again and again how British prestige will rise up and flourish like the proverbial green bay tree, how the Chinese M.A.'s or B.Sc.'s or M.B.'s, or whatever they are to be called, will return to their patriarchal homes trumpeting out the virtues of the British Empire and the manliness of the British people, till all China shall ring again with the sound of their grateful voices. We are told that China is bound to appreciate our loving kindness, presumably by giving us contracts at figures which will enable us all to retire and live in luxury for the rest of our lives. Frankly we consider that view a very good school which furnished the best part of my mental equipment, but when it comes to the point business is business and sentiment is sentiment and like Kipling's East and West "never the twain shall meet." What we should prefer to know is that the poor Hongkong boy shall have a chance of attending this institution, provided he has the necessary brain power and application. That is our view, without any flummery or artificial decorations and we diffidently suggest that it is the view of a large number of readers. While on this question of education let us turn to a matter which has cropped up in connection with the elementary schools. We refer to the proposal to curtail the expenditure of the Colony by dealing with the school fees and the grants-in-aid under the Government Code. The suggestion is to appoint another commission—a sort of supplementary body to that which glorified itself with the name of Retrenchment Commission and retrenched nothing—which will look into this matter of increasing the fees by reducing the grants-in-aid. Were it decided to reduce the grants-in-aid the burden of providing the children with a decent and sound elementary education, so far as it goes, would be immediately cast on the parents, many of whom find it hard enough as it is to scrape together the wherewithal to keep their boys and girls in the class room until they have gained at least a working knowledge of the rule of three. As a matter of fact it is a well recognized principle of government that the State is responsible for the

elementary education of its future citizens. If the parents wish that their children should enjoy the advantage of a secondary education they must be prepared to meet the cost in part if not in full according to the mental vigour of the student, but elementary education is a State function not to be neglected. Moreover, it is difficult to reconcile the attitude of the Government in this respect with the provisions of the Code. Under the Code the grant schools in Hongkong are precluded from receiving any eligible applicant for admission to the lower standards, or forms. So that the Code would have to be interpreted in a most extraordinary fashion if it were held that grant schools should be open to all and sundry in the lower classes and yet their grants should be reduced. (Of course that would mean that the greater the number of pupils attending the classes the greater the cost of maintenance and as the result of a reduction in the grant the greater the financial loss to the schools. Such a state of things could not, surely, be entertained by a reasonable Government, or the Governor has not given the question that attention which he usually directs to educational matters. At all events we trust such an absurd proposal will be promptly shelved by any responsible body of gentlemen who are capable of forming and in a position to declare opinions of their own. With regard to the work of the Hongkong Legislative Council during 1909, there will certainly be a diversity of opinion concerning its practical value. Not for years has there been such a spate of oratory as has flooded meeting after meeting of the Council; seldom have so many resolutions dealing with all manner of subjects from the Clock Tower to liquor, Courts, matchless and from opium to liquor, been introduced only to be withdrawn in the end or beaten to a pulp by the official vote; and it must be years since the Council passed so less than 46 original or amending Bills in a single year. One would have thought that among all those Bills at least a quarter of them would be worth recalling but as a matter of fact not more than three or four are of any permanent interest. It would seem, indeed, as if some zealous servants of the Government had spent their spare time in discovering technical errors in the existing Ordinances and thereupon drafted Bills to meet the case and so swelled the list of Ordinances brought into being. The principal Bills to which reference may be made were the consolidation Ordinance relating to liquor licences and opium, the Trade Marks Bill and the Railway Bill. It is unnecessary to say that the first two Bills were connected with the raising of the Colony's revenue; Right through the year the bugbear of discussion has been the dwindling revenue consequent on the action of the Imperial Government in restricting the sale of opium by closing the divans. At one time it was the firm opinion of those in the opium trade that the Colony was being brought to the verge of bankruptcy by the arbitrary action of the Secretary of State in ordering the Government to make an end of the divan system even before he had heard the Hongkong side of the case. The Government itself was of opinion that the Colony's revenue would suffer enormously owing to the fall in the tenders for the Opium Farm. And His Excellency the Governor spoke in most lugubrious tones concerning ways and means, although persistently declaring himself an optimist in the highest degree. Apparently the Secretary of State recognised that he had acted with undue precipitation for not only did he modify the original order, but he explicitly stated that the Imperial Government would grant the Colony "substantial compensation" for any loss of revenue that might accrue as the result of the Colony's obedience to the will of the home Government. What that "substantial compensation" is likely to be nobody has the slightest conception. Repeated questions have been asked in the Legislative Council on the subject but no satisfactory answer has yet been forthcoming. All that the Government has been able to say is that the Imperial Government may be trusted to redeem its pledge. Now that the United Kingdom is in the throes of a general election we wonder what attention will be paid for weeks to come to this question which affects Hongkong—not so seriously now perhaps, but still prejudicially. Had it not been for the fact that when the tenders for the Opium Farm were opened it was found that the estimated decline was to a large extent a myth the question of compensation would have been of much greater importance to the Colony than it is at the present moment. The deficiency estimated by the Governor was put at \$500,000 whereas the new Farm which begins operations on 1st March, 1910, represents an actual loss of only a little over \$250,000. So much for the Farm, but it was in the handling of the import and export trade that merchants were fearful lest the effect of the Imperial edicts in China and the British regulations in India should stifle the market. The opium trade in Hongkong represents a turnover of fully thirty million dollars a year which is a very conservative estimate, and when to that is added the cost of labour, storage, insurance and freight it will be understood that it is not a traffic to be despised. Fortunately the silver lining appeared when new markets were discovered and the demise of opium is indefinitely postponed. The next item of revenue which attracted widespread attention was connected with liquor licences. The Government, after much cogitation, sleepless nights, and deep thinking produced a marvellous scheme which had for its object the taxation of hotel and publican's licences according to the assessed value of the premises. In other words where a first class hotel was being charged \$2,000 per annum for a licence to sell spirits and wines it would

under the new rules, have to pay anything in the neighbourhood of \$6,000 or \$7,000, which was manifestly absurd. On reconsideration it was decided instead to impose an excise duty on liquors, a plan which aroused much opposition on account of the fact that it would destroy Hongkong's claim to be a free port in the true sense of the word. It was argued that the establishment of an excise bureau implied that the thin end of the wedge making provision for the introduction of a Customs service was being inserted. This view was vehemently opposed by the Government and after interminable discussions which led nowhere and effected nothing the proposal was adopted. That very same night the new law was put into force, and a considerable quantity of native liquor which was being brought to Hongkong from Canton was seized by the excise officers and held until the owners had paid the duty. Such promptitude on the part of the Government to take advantage of the powers it had obtained was severely condemned by many who should have known better; but after all, if the law is to be enforced it should be enforced at once, especially an excise law which is intended to act as a revenue-raising machine. So far no particular are forthcoming to show what the effect of the new duty has been on the wine and spirit trade of the Colony, but it cannot be gainsaid that the law has worked smoothly, which may be attributed to the tact and consideration of the officers who were specially appointed to see that any attempt at smuggling was nipped in the bud. We must confess we had fears that the illimitable powers conferred on these officers, enabling them to search at their merest whim and fancy the luggage of incoming passengers, of entering private houses at the instigation of some evil-intended informer, of holding up vessels and questioning visitors whenever they thought proper to do so, would lead to gross injustice and violation of the spirit of the regulations. Happily such has not been the case, although it can scarcely be hoped that all excise officers will continue to be equally discriminate and discreet in the performance of their irksome and occasionally unpleasant duties. As far as the revenue from the import duty on intoxicating liquors is concerned, the Governor has stated that he expects that in 1910, the collections will amount to no less than seven and a half lakhs—of which one lakh will go towards the maintenance of the excise service. The chairman of the Chamber of Commerce, however, is even more assured as to the success of the duty for he has declared that the amount which will be derived from the excise duty next year will be not less than a million dollars. It is all speculation to go into figures and nobody will be able to appreciate the value of the duty until the official statistics are ready for publication. In any case, the finances of the Colony are safe for another year. We mentioned that a Retrenchment Commission was appointed to find out whether it was possible to reduce the cost of official administration in the Colony. The members worked *in camera*, of course, and eventually produced a document which was a gem in its own way. It appeared that whenever they come across an item of a few paltry dollars allowed to some Government messenger who might have to tramp 20 miles a day it was rigorously struck out. Allowances for gas and trumpery matters of that sort were cut down with a ruthless hand. In one case a high official was mulcted in a very large sum for travelling expenses but when the searcher proceeded to turn over the pages of that particular department it was found that although he had actually received his rich fare, he had actually received an increase of salary on another ground. As salary counts for pension the official in question is not only far better off now as the result of the labours of the Retrenchment Commission but he will experience the full benefits of his generosity when he decides to retire from the civil service. Not to put too fine a point on it, how could it be expected that the heads of the administrative departments in the Colony would seek to discover leakages in their own offices? In the end this farcical process which resembled the result of the mountain's labour was framed, scored and scored again by the Governor, and finally thrown into the nearest waste paper basket. It may be that some poor coolies were dismissed and some poor messengers have to walk where once they were allowed tram fare—whereby the business of the Government has not been expedited—but that is about all that the Retrenchment Commission with all its diving and delving after infinitesimal economies managed to achieve. Of the Trades Marks Bill we need say nothing more than that it brought the law of Hongkong into touch with the law of England, while the Railway Bill laid down the rules and regulations necessary for the organization of the line from Kowloon to Sam Chun—the British section of the Kowloon-Canton railway. It is expected that the first part of the completed line on the British side will be opened by the 1st of July next, while the through line should be in full running order by the following year. As far as the Chinese section is concerned, the English engineer in chief, Mr. Grove, has been pushing forward the construction with the greatest energy and the first 30 miles from Canton should be carrying regular traffic by the middle of 1910. The foundation stone of the terminal station building at Tai Shan was laid on 7th of April so that evidence is not wanting that the Chinese officials are fully alive to the ultimate importance of this line as the people of Hongkong. Indeed, we should not be at all surprised to find that the Kowloon-Canton railway is actually of more commercial value to the Chinese than to the British, but time alone can

tell. That it will be years before it begins paying its way we have not the slightest doubt, but as His Excellency the Governor has said, let us be optimistic on that as well as on other points. One feature in connection with the British section of 23 miles or thereabouts is the magnificent staff that has to be maintained by a liberal and generous government. The new superintendent of the line, Mr. E. S. Lindsey, who has succeeded Mr. G. W. Byles, is in receipt of the lordly salary of £2,000 per annum while those immediately under him are paid proportionately. What the salary of a general manager would be if the line which he controlled extended to 50 or 100 miles we cannot imagine. The brain reels at the idea. We should certainly say that the post of engineer or superintendent of the Kowloon-Sam Chun line, and a single line at that, is worth far more than the office of Governor of the Colony. It is not our province to deal with stocks and shares, but in recording some of the features which have marked the year that is dying away it is impossible to refrain from touching on the invasion of the local market by rubber stocks originally floated in the Straits Settlements and in London. The unprecedented boom experienced in this stock to which Hongkong was entirely unfamiliar withdrew attention from the old established industries in Hongkong, which from a dividend point of view have maintained their sound position as regards both their earning power as well as their producing capability. This was notably the case with the sugar companies which in spite of an exceptionally good year for the refined article show only a comparatively inappreciable rise over the quotations in the closing week of 1908. The disastrous depression in the stock of the shippingbuilding companies is accounted for by the increased competition both in the north and south, by the creation of Government docks and shipbuilding yards and also by the smaller fleets both of the British and foreign navies patrolling these waters. The Hongkong and Shanghai Bank has retained its pre-eminent position as the leading financial institution in China, but by diplomatic negotiations on the part of other foreign countries its exclusive claims upon the attention of the Chinese Government in the matter of the financing of loans has been successfully challenged and it has now to take the position only of a participant rather than that of a monopolist as regards accommodating China. On the question of land, it has to be recorded that there was little general inquiry during the year. Values continued to depreciate with certain exceptions and it is a safe indication of the condition of property when it is mentioned that in the revaluation by mortgagees of properties on which money has been advanced, surveyors provide a 30 per cent. depreciation in almost every case, notably with regard to properties occupied by hongs and Chinese firms. Residential properties by reason of the fact that they are limited in number maintained more or less their value from the rental point of view. Turning to less speculative matters, it is satisfactory to note that, comparatively speaking, no great disaster occurred in the Colony. True, there was a miniature typhoon in October which did some damage, but as timely notice was given of its arrival the floating population were all snug and comfortable when the blow came. The *Agnar*, a Norwegian steamer, bound from Singapore to Hongkong, was caught in a typhoon off the Paracels. H.M.S. *Astray* was sent to the rescue and brought the marooned crew, who were half dead, to Hongkong. There was a serious fire on board the German mail steamer *Prins Ludwig*, resulting in damages estimated at a million dollars. The bulk of the loss fell upon French underwriters who insured the valuable cargo of silk. As regards social events, Lord Kitchener visited the Colony and went away with one of the finest collections of Chinese porcelain in the Far East. Prince Shun and Admiral Sah were twice in Hongkong and Prince Arisugawa, followed later on by the Princess, passed through on his way to Europe. Viceroy Chang Jen-chuan was relieved by his successor Viceroy Yuan Shu-chun, on the occasion of the former's proceeding to Nanking to occupy the position previously held by H.E. Tuan Fang. The China-Portuguese Delimitation Commission sat for four months in Hongkong but arrived at no conclusion and the questions at issue stand apparently where they did. His Excellency the Governor unveiled the statues of Queen Alexandra and the Princess of Wales on the official King's Birthday and the new naval dockyard was formally opened on the same date with a naval review. But, of course, we could go on interminably at this rate. One feature of the year, however, which cannot be omitted was the recognition by His Majesty the King of the sound work of the Colonial Secretary during the past twenty-eight years. In the civil service, as a Knight Commander of the Order of St. Michael and St. George, Sir Francis May received the congratulations of the entire Colony, the distinction having been included in the list of the Birthday Honours. And so the tale is told. The year 1909 may not have been an exciting period but it has been one of strenuous hard work, and we can only trust that the year to be ushered in tomorrow will ring in "the eager heart, the kindler hand, ring out the darkness of the land."

CANTON DAY BY DAY.
MAJESTY'S REFERENCE.
[From Our Own Correspondent.]
Canton, 24th December.
H.E. Viceroy Yuan Shu Hsun appears to be greatly displeased with the manner the Nambol Magistrate, Oueung Tung Kai, and the Pan Yu Magistrate, Chou Yu Tun, have performed their duties by their failure to take adequate measures to prevent frequent robberies in the districts under their jurisdiction and also their failure to effect the arrest of the robbers. The two magistrates have been severely reprimanded by the Viceroy and have had their official buttons removed from them for every day wear until further orders.
WHOLESALE EXECUTIONS.
The streets of Canton provided a mournful procession when two prisoners were taken out from the Nambol prison and eleven others from the Pan Yu prison to the execution ground and beheaded by order of the Viceroy. These criminals were all found guilty of armed robbery.
BOAT FATALITY.
On the 22nd instant a sampan with eight persons on board was capsized in Ho Nam Wee but they were all rescued by the water police. The police took these persons on board their gig and when the men were trying to get ashore, the gig was also capsized owing to its being overloaded with a larger number of passengers than it could carry. The boat and the neighbourhood residents came to the rescue and succeeded in saving seven persons, while the others were drowned.
NEW PROVINCIAL TREASURER.
The newly-appointed Canton Provincial Treasurer, Chan Kwai Lin, is expected to arrive here to-morrow. The Government gunboat *Kwang Yuen* with an official delegation on board has been ordered to Hongkong to meet the new Treasurer. The 20th day of this moon (the 1st proximo) has been appointed as the day on which he will take over the seal of office as Kwangtung Provincial Treasurer from Shum Tsang Tung.
LADY YUAN SHU HSUN.
Lady Yuan, wife of the Canton Viceroy, is coming to Canton to join her husband and is expected to arrive here on the 25th instant. The gunboat *Po Pit* has been sent to Hongkong to await Lady Yuan's arrival and to convey her up to Canton.
DENUNCIATION.
The following officials, Taotais Wan Hok Ki, Li Kwong Yu, Yik Fung Sui and Lee Sui Lin, are reported to have been denounced by the Viceroy in a memorial to the Imperial Government on various counts.
A CHINESE AIR-SHIP.
Yu Chik Hing, a student who was educated in the United States of America, is building an air-ship about 12 feet (Chinese) in length and 5 feet in width, to be suspended on a ball made of silk gauze. The invention is soon made of completion; the airship will be ready for inspection and trial in the course of two or three weeks.
RAILWAY PRESIDENTSHIP.
The shareholders of the Canton-Hankow Railway Company have elected the post of president of the Company to Taotai Chiu Tin Yau, at present director general of the Peking-Kalgan Railway Company. It is not known whether Taotai Chiu will accept the offer or not.
28th December.
LIKIN COLLECTIONS.
The collection of Likin dues in Canton during the first ten days of the 10th moon, as reported by the Likin officials to the Viceroy, amounted to 37,117,444 taels.
CHIEF OF POLICE.
Taotai Mai Kwong Hui, who has been transferred from Hupoh to Canton at the request of H.E. Viceroy Yuan, arrived here yesterday. Taotai Mai will be given the appointment as head of the Police Force of the whole Kwangtung province.
SULPHUR AND SALTPETRE MONOPOLY.
The sulphur and saltpetre monopoly of the province of Kwangtung has been let by the Viceroy to So Wing Cheung, a merchant, at an annual rental of \$130,000.
DISTRICT CENSUS.
The Viceroy has ordered a census to be taken of the populations of the two districts of Nambol and Pan Yu as a first step towards a general census of the Province. The two Magistrates of Nambol and Pan Yu have now reported that there are 50,938 and 25,330 families, respectively, in the districts under their jurisdiction.
29th December.
STAMP DUTY.
It appears certain that the stamp duty taxation will soon be enforced in the city of Canton. The local authorities have received from Peking for distribution 7,500,000 stamps of the following denominations—2,000,000 of 20 cash, 200,000 of 100 cash and 1,250,000 of 1,000 cash. These stamps have been handed to the Provincial Treasurer for distribution.
PACRY.
A cargo-boat fully laden with sundry merchandise coming from Fatsan was the other day held up by a gang of pirates at Sha How and the goods on board to the value of over \$10,000 were removed. The owner of the vessel has reported the matter to the local authorities.
PROVINCIAL TREASURER.
The Canton newly-appointed Provincial Treasurer Chan Kwai Lin arrived here at noon yesterday on board the gunboat *Kwang Yuen*. This new official will take over the seal of office on the 1st January next.
SALT MONOPOLY.
It was not until yesterday that H.E. Viceroy Yuan Shu Hsun accepted the application of the merchants Chan Po Shun and others for the salt monopoly of the Liang Kwang provinces, as well as the provinces of Kwangtung, at an annual rental of 12,000,000 taels in stead of \$12,000,000 as previously reported. The monopoly has been ordered by the Viceroy to deposit a sum of 100,000 taels in the Imperial Government-Tai Ching Bank in the nature of an advance.
A DRASTIC PROPOSAL.
For some time past, it has been the intention of H.E. Viceroy Yuan to abolish the gambling monopolies in Kwangtung and to make good the loss of revenue by the increased rental of the new salt monopoly. However, a telegram has been received from the Ministry of Finance at Peking with instructions that the annual collection of rental from the salt monopoly should be limited to 100,000 taels. The Viceroy has been greatly agitated over the proposal.

The Hongkong Telegraph

MAIL SUPPLEMENT.
ISSUED GRATIS TO SUBSCRIBERS.

HONGKONG, FRIDAY, DECEMBER 31, 1909.

LOOKING BACKWARD.

When we pause at the end of another year to consider the incidents and events which have gone to make up the daily round of life's activities we are somewhat surprised to discover that the first and natural impression that the past twelve months have been crammed with epoch-marking occurrences will not bear scrutiny. It is possibly a common trait of the human mind to regard the immediate past as having a more important bearing on our lives than can be quite freely justified but certain it is that so far as this Colony is concerned there are but few occurrences of such vital importance as to warrant the belief that the year 1909 will form a mental landmark for those who reside in Hongkong. Yet it has been a busy year, busy, that is to say, in a groping, inconsequent, tentative way, for it has been a year of conjecture as to what the future would bring, how the present was to be provided for, and how the consequences of the past were to be obliterated. For most of the year we have been living in a land of speculative musings, fighting shadowy spectres, warding off the phony of financial ruin and seeking by every

AMERICANS IN CHINA.

(28th December.)

American interests in China are carefully watched by a body known as the American Association which meets at Shanghai. As a rule the average American seems to be so intent upon safeguarding his own interests that he has little or no time to give to matters which concern his country—as distinguished from his private individuality. He seems to say in effect: "What's the use of having a Minister and no time to give to the nation? And so it is that we seldom hear of the American merchants in China busying themselves with matters foreign to their own business. The missionaries, of course, have their finger in the pie on all occasions, for it is the aim and object of every missionary to keep himself well in the centre of the limelight, but then nobody pays much heed to what a missionary thinks or says. It is only when he begins to "do" things that he becomes objectionable, sometimes developing into a regular public nuisance who has to be squelched. Recent events in China, however, have stirred up the national sentiment in the hearts of the Americans, and led them to demand that America shall no longer be a spectator in the game of financing the Middle Kingdom. And the success achieved is calculated to induce a deeper interest in the affairs of the Chinese than has previously been manifested. It is in that light that we turn to the annual report of the American Association of China. The total membership stands at 166, of which 66 are non-residents, while three are honorary members. Turning to matters of purely American importance, reference is made to the extraordinary fiasco which attended the appointment of Mr. Charles R. Crane as Minister to China. The report merely states: "There seems to have been some difficulty on the part of the State Department in finding the right man to succeed Mr. Rockhill, Mr. Chas. R. Crane of Chicago, an experienced business man and one reported to be sympathetically interested and practically well-informed with regard to Eastern affairs, was appointed by the President and accepted the post. But before leaving the United States he was recalled and his resignation asked for. The reason for this action is not altogether clear even at the present date, but it seems to have been dictated by diplomatic necessity." In any case the prestige of the United States was not helped by the curious and abrupt dismissal—or resignation, call it what you will—of a Minister just on the point of embarking to take up his official duties. Referring to the appointment of Mr. Amos P. Wilder to the post of consul-general at Shanghai, the review says: "Mr. Denby's successor in the Consulate-General is Mr. Amos P. Wilder, whose transfer from Hongkong to Shanghai admitted of a short visit to this port before sailing for home on a promised furlough from which he returned to Shanghai on December 3rd. He has been accorded a sincere and hearty welcome to his post. The American community in Shanghai congratulates itself on the appointment of Mr. Wilder to its Consul-Generalship and has extended to him its assurance of thorough confidence and its promise of earnest co-operation in his new field of work." Very little is said about the departure of the "famous" Judge Willey. When we recall the amazing series of events which occurred in Shanghai while Judge Willey sat on the bench we think he was entitled to more than a two-line notice to the effect that he had gone. But when we read what is said of his successor we begin to fancy that the writer intended that the reader should read between the lines. For this is how the paragraph goes: "In November 1908, Judge Lebbens R. Willey gave notice of having resigned his position as Judge of the United States Court for China and left for home in December, 1908. His successor, Judge Rufus H. Thayer, arrived in Shanghai on February 24th, 1909, with Mrs. Thayer, and immediately took charge of his judicial post. Judge Thayer has already been in Shanghai long enough to have become a familiar and very pleasantly familiar member of the community. It is with the utmost satisfaction that we record our appreciation of the dignified and scholarly manner in which he has conducted his office and the great tact and wisdom with which he has met the unsettled and critical condition of American opinion at the time of his introduction. Judge Thayer has already won the esteem and confidence of the community." Are we to assume from that reference that American opinion was not altogether on the side of the unsettling Willey? However that may be, it is certainly curious that we hear so little nowadays of the doings at the American Court in Shanghai as compared with the period known as the Willey régime. There is this sentence in the report which explains a good deal: "It is to be noted that the recent examination for admission to the bar of the United States Court for China was conducted along somewhat different lines than previous examinations; from which it is to be inferred that admission to the bar of the U.S. Court for China will be governed, in so far as practicable, by the same rules and conditions which govern admission to the bar of the higher Federal and State Courts at home." Passing to general matters of interest there is an interesting note on the subject of Chinese exclusion. "The matter of legislation on Chinese exclusion has made, so far as we are aware, no advance. The former Secretary of Commerce Straus made a report on the question, advocating a form of immigration laws that would apply equally to immigrants of all countries, European or Asiatic, with no offensive discrimination against Chinese as a race people, but no action has been taken by Congress to carry out the recommendations of the executive officer of the government. The Executive, however, has utilized the power which it possesses to modify the regulations and to ameliorate this severity so that no complaints have arisen from Chinese of the merchants and student classes. Without being prepared to state the extent of our agreement with the above, it is to be hoped that a new treaty may yet be negotiated, defining the intercourse between the two countries."

It is rather a pity that the American Association of China should deem it best to remain silent on this subject. It cannot be surely, that they have no opinions one way or the other on the subject, especially considering their intimate association with the Chinese. At the same time if they have resolved to keep a shut mouth on this question, they have not been beguiled into blatant trumpeting of their own merits. We have heard so often about the return of part of the United States indemnity—which was really no gift whatever to the Chinese, the fact being that the United States charged China in the first instance and only returned that excess when her conscience began to prick her—that we expected to see some reference to the philanthropy and generosity of Americans as a people. But no, nothing is said on the point. A writer in the *Shanghai Mercury* dealing with this attitude shown by Americans says that the only reasonable attitude taken by Americans in China has been that of the reasonable men of all other nations who have had personal experience in this country. "That it is true that the United States have in the past taken up, at times, a different standpoint from which to view the Far Eastern question goes without saying, by why was it so? The answer to that question would occupy many of your columns and therefore cannot now be entered upon. Suffice it to say that the reason why America has always been firm in her self-denial in the East was because there was nothing to deny. She did not aspire to the annexation of Chinese territory, for example, because it was her policy (till 1898) not to annex anywhere except on the N. American continent. If she had so wished, she might have taken strips of the North African coast, but she did not, for the same reason that she did not seize Formosa or Chusan. She did not want them. But her attitude towards the Chinese who came within her own borders told another story. One balanced the other: both were dictated by policy, just as are the acts of all the other powers. None of us can rightfully claim pure altruism in anything. We cannot tell whether the writer is an American or not but he certainly hits the nail on the head when he talks of the reason for America's attitude of self-denial. We have said that no reference was made to the return of part of the Boxer indemnity fund. Alas, more careful reading of the report falsifies that statement. The benevolence of the United States Government is brought in under the heading "Relations between the Chinese and United States Governments," and the note reads: "The relations between the two Governments are unusually cordial. The action of our government in restoring part of the Boxer indemnity fund has been magnified at home in China. The friendship implied therein has been grasped at by many Chinese as the precursor of some kind of an alliance whereby China might escape from the resistless inroads of other Powers." Will the Americans never forget that they performed an act of common justice when they gave back what they had no right to demand. Take the case of England. She gave no part of the indemnity claimed by her, because why? Because as Sir Edward Grey stated, every penny that had been claimed and more had been spent by the British Government in connection with the expedition to Peking. But in America to give back that in which you are not entitled seems to be considered so remarkable that when the event does occur it is hailed with acclamation and self-glorification. Possibly we will hear the last of America's abnegation some day, but it is evidently too early yet to expect that American writers will forget the subject. Of the rest of the report there is little or nothing to say beyond this, that it is clear the Americans are thoroughly earnest in keeping in touch with municipal affairs which is a good sign.

THROUGH OCCIDENTAL EYES.

(29th December.)

It is always interesting to find a tourist who avoids the beaten track in order to discover for himself the characteristics of a city such as Canton. The regular routine is to rush round Canton, view a certain number of temples, chaffer and haggle with some dealers in curios, and hasten back to the river steamer. But Canton has claims over and above those to be found in every large Chinese city, for while it is the capital of South China it is also the most progressive city in all China. Its inhabitants are noted for their business perspicacity and enterprise, their fierce patriotism which is often calculated to lead the unsophisticated into collisions with the authorities, their resolute aim to secure China for the Chinese—that shibboleth invented by His Excellency Shum when he was acting Viceroy of the Kwang Provinces—their financial power and resources, and their spirit of enlightened endeavour. For some time little has been heard of the commercial undertakings promoted by the Cantonese but that is no proof that the native energy of the Southern Chinese has lain dormant. There can be no doubt whatever that they are steadily heading for the aggrandisement of the Provinces and the control of their own affairs. Probably there is no viceroyalty which is so independent as that ruled over by His Excellency Yuan, for Peking knows the temper and character of the Cantonese and leaves them to work out their own salvation pretty much as they please. As the Cantonese are naturally a go-ahead people, who have little or nothing in common with their compatriots in the north, such a condition of things is probably the best that could be devised. But how many globe-trotters give a moment's glance at this side of life in Canton. They marvel at the narrow streets, they shudder at the scene on the execution ground, they lay themselves out to be awed by the rapacious curio-dealers, they gaze with amazement on the five hundred gods and do all the correct things at the correct time. But as far as the commercial importance of Canton is concerned or its possibilities in the future, they have neither eyes nor ears. It is therefore interesting, as we have said, to find a writer

who is not tempted by the beaten track, or content to view the obvious. A writer in the *Paris Cosmos* has been attracted by the industrial activities of the Cantonese and declares that the introduction of industrial and mechanical undertakings on the European plan is proceeding much more quickly than most Occidentals imagine. He states a fact which hardly needs to be emphasised, viz., that European industries have begun to be introduced into China, and their progress is now becoming more and more rapid. At Canton in particular, we find a series of factories whose presence greatly astonishes those who think of China as still fixed in the past. Here we find a cement factory, the property of the Government, but directed by Chinese under the guidance of a German engineer; no less than 500 barrels of cement daily are turned out. Canton also has a waterworks run entirely by Chinese, which furnishes daily more than 7,000,000 gallons of water to 10,000 subscribers. This latter figure shows clearly that the Chinese are quick to understand the advantages of perfected processes, and notably of the house-to-house distribution of water, when they have the wherewithal to pay for it. We find also at Canton, besides the arsenal, a smokeloss-powder factory, as well as the provincial mint; there is also a paper-mill and a cigarette factory, not to mention the railway shops. . . . and various shops for the construction and repair of vessels. But what is perhaps the most curious thing to find in this very Chinese city, where, in spite of the foreign quarter, the natives form a large portion of the clientele of all these industries, is an electric plant, installed on the most modern plan. This station was erected by the China Light and Power Company whose headquarters are at Hongkong; it stands in the district called Ng Sin Moon, which means Southern Gate. The necessary motive force is furnished in the first place by three Diesel motors, using crude petroleum and giving together 500 horse-power. There are also five steam-engines yielding 730 horse-power; the steam is produced by four Babcock-and-Wilcox water-tube boilers, burning Japanese coal and furnished with a Green economizer. Condensers of a good type assure excellent working and the forced-draft system is used. All the workmen in this station, to the number of 121, are Chinese. So much for the *Cosmos*. But other writers are springing up to proclaim the industry of the Chinese. In *Engineering* a writer remarks that the progress and still more the future possibilities of Chinese steel manufacture and iron production are attracting much attention both in Germany and America. The fact that the Hanyang Iron and Steel Works were capable of securing a part, albeit a small part, of the contract for rails for the Tientsin-Pukow Railway in competition with the German Steel Union, which was entrusted with the bulk of the order, has been particularly noted in Germany. An American expert has expressed his opinion that the minimum wages paid must place Chinese steel manufacture outside the scope of ordinary competition, and he thinks it is only a question of time for China to develop a considerable iron and steel industry. Another important establishment is at present in course of erection at Hankow, viz., the Yangtze Machine Company, which will build ships, engines, boilers, &c., and which already employs 1,000 hands. China boasts iron ore deposits of immense capacity, and it has been stated that China could supply the rest of the world with ore for centuries, but the fact is that China's wealth of iron ore has not been properly or even approximately ascertained. There are also large deposits of manganese ore containing from 10 to 25 per cent. manganese. The effect of such writings is bound to influence opinion in Europe and America and it is such observers as the authors of these articles who are wanted in China rather than the harum-scarum, round-the-world-in-five-minutes tourist, who wishes to see the earth at the least possible cost to himself and the minimum of trouble. How many of that happy band who travelled by the *Cleveland* gave a second thought to the possibilities of Canton, or gave a thought to anything beyond the fact that at some future time they would have the pleasure and satisfaction of being able to say: "Canton? Oh yes, I've been there. Know it like a book."

A CHINESE REDEMPTION SCHEME.

(30th December.)

According to the Shanghai vernacular papers the Chinese Board of Finance engaged in the consideration of the best method to secure the redemption of all the outstanding liabilities of the Empire to the foreign world. Here is a colossal scheme which is worthy the attention of a Rothschild or a Pierpont Morgan, but China was never noted for its grandiose ideas which flattered in the air for a time and then passed. It will be recognised that in proposing to redeem the foreign liabilities, China is in a measure following the example of Japan after the late war, but there is always this difference that whereas China is split up into a number of semi-independent Provinces which have to be treated separately and without reference to one another, Japan is administered as one homogeneous whole, and the co-operation of all the islands is secured by their mutual interests. At any rate let us see what this scheme of redemption means so far as China is concerned. In the latest edition of Harrell's Annual, the outstanding liabilities of the Chinese Government amounted to a total of £2,348,750, but in reality, if the redemption falls the total amount paid by China on account of the Japanese war bonds will, by 1910, have amounted to roughly £2,500,000,000, to say nothing of other and earlier commitments. The proposal, therefore, to men who know China is one that sounds so extraordinary as to rank with the impossible. We have had long experience of China and her customs, remarks a contemporary in the North, of the suspicion with which her people have viewed all and every suggestion of her authorities when such suggestion meant the transference of current coin from the pockets of the people to the coffers of the mandarins or the central government. It is all that experience to go for nothing? We are quite ready to believe that there has been a great awakening perhaps we ought to say a great creation of native nationalism, but will it run to the production of so vast

an amount? Is the money really forthcoming whatever the patriotism? Is the world to be astonished in 1910 as it was in 1871, when the French milliards came rolling in at the call of the Republic? It is impossible to say. We are quite prepared to believe that there are vast hoards in China; we have little doubt but that the £125,000,000 might be found if there were sufficient extractive power, but is there, and if there were, would it be advisable to employ it? Threatened with an alien control of revenue and expenditure we can easily understand the intense desire of the ruling classes to avoid such a humiliation at any cost, and there is beyond the humiliation another consideration. Were there any foreign control worth the name, the peculations of the multitude of mandarins would cease. For every dollar received they would have to account. This would be terrible from their point of view, but what about the taxpayer? What of the ninety-nine per cent. who are not officials in any way? Would they not rather welcome such a reform? continues the *Mercury*. We think they would, and if the matter were put before them thus: "Haud out every tail you have hoarded up to us, or our old system may be preserved, we are inclined to think that they would inquire as to the alternative, and if they feared that it was foreign, and therefore strictly honest control, would prefer to keep their hoard, take advantage of foreign integrity, and let the hoard and old system disappear. In a word, we shall be much surprised if the new-born patriotism of China will be found equal to this task. But for the sake of argument, let us suppose that it will, and that the whole of the sum required is forthcoming. What interest will be asked? Everybody knows that the value of money in China is far greater than it is in the richer west. Money can grow at less than 3 per cent, and most great powers have less than 5 per cent. But interest amongst the Chinese runs from 10 per cent. upward, while the Chinese government can command far better rates than foreign sources. If the money is to be loaned long at all, therefore, it will be at much greater cost than at present. But it may be argued that the interest would remain in the country. There is something in that, especially for the bondholder, the five or ten per cent. minority of the people. What of the ninety-five mulcted to enrich that minority? Our native contemporaries tell us that the people are enthusiastic over the new scheme. Possibly they are. But our contemporaries do not say that the people understand either the scheme, or its consequences. If they did, and when they do there will be a different story to tell. Perhaps. We doubt if there is any national debt anywhere exclusively held by the people of the land that owes it. Suppose the conversion of the Chinese debt completed, what is to prevent foreigners from buying the stock? It will have to be marketable as British Consols and French Renties are marketable. Anybody may buy them. And as China would have to offer a high rate of interest to get the required money, there would be all the greater temptation to the foreign financier to come in. It will be seen from these reflections that the difficulties in the way of realising the enormous task of redeeming China's debts are almost insuperable. There can be no doubt whatever that the people of China if they willed it could advance the money, for despite all that has been said and written on the subject China is not a poor country. Poverty there is but it is never that grinding poverty which characterises the large cities of the west; as for wealth no-bodies has yet dared to formulate an idea of the hidden hoards of the country. If these hoards were to be used upon the redemption of the Empire's liabilities would be assured, but there is redemption lacking to fire the imagination in a redemption scheme. It has no tangible form; there is nothing but bonds to show for the outlay; it does not appeal to the patriot and it certainly would fail to obtain the support of the individual accustomed to the ways of mandarin management in the interior. The scheme in fact, magnificent though it may be, is simply a soap bubble; its only value is the indication it affords of how Chinese officials are striving might and main to oust the hard-working foreigner and to regain for themselves that power over the lives and purses of the Chinese proletariat which they exercised in the days before the foreigner had appeared on the scene.

GUNBOAT "RIO LIMA"

BOUGHT IN BY PORTUGUESE AUTHORITIES.

The obsolete Portuguese gunboat *Rio Lima* was put up for sale by public auction after Messrs Hughes and Hough, yesterday afternoon, acting under instructions from the Portuguese naval authorities. A large number of intending Chinese purchasers attended the sale and bidding was in consequence very spirited. The first offer made was one of \$10,000 which was advanced by bids of \$500 to \$19,500, at which price it was bought in by the Portuguese naval official present.

The dimensions of the *Rio Lima* are:—
Extreme Length 169 ft. 6 ins.
Length on Water Line 150 ft. 3 ins.
Extreme Breadth 27 ft. 7 ins.
Displacement 335 tons.
Draft Forward 10 ft. 0 ins.
Draft Aft 11 ft. 2 ins.

FIRE AT QUARRY BAY.

STOCKS OF ASHES ABLAZE.

What at first sight appeared to be a serious conflagration broke out in the neighbourhood of Quarry Bay yesterday forenoon. It was at first feared that the Taikoo Sugar works were ablaze and indeed that was the rumour which went round the city. Fortunately that story proved to be a rumour, but nevertheless the fire was of no small proportions although it is doubtful if any serious damage will result from its effects. Near the water front on ground which we understand belongs to Messrs Lutterfield and Swire great stacks of cinders, slag and coal refuse are piled and it is believed that one of these stacks, which had probably been smouldering for days suddenly broke out into open flame. At any rate, when the smoke was observed rising from the heap of disused material, the fire-extinguishing plant of the firm was quickly brought to bear on the red-hot mass. The fire was so directed to the scene and rendered efficient service throwing tons of water on the concentrated heap of red flame. Altogether there were four fire engines and the fire float at work pouring an immense supply of sea water on the burning stack. It is said there were about four thousand tons of cinders practically useless material in places from the city were sent out to help but what the result was we have not yet learned. Experienced engineers say that this sort of fire can never be extinguished by throwing water on it. What must be done is to turn over the whole mound of debris and so get the fire out bit by bit. It is related that a similar outbreak occurred at Singapore some years ago when a stack of ashes was found to be in the state of a volcano on the point of eruption. It took five thousand coolies six weeks to extinguish the outbreak. According to our information there is no danger at Quarry Bay. The damage will be comparatively trifling.

THE CHINA LIGHT AND POWER COMPANY, LTD.

EXTRAORDINARY GENERAL MEETING.

An extraordinary general meeting of the China Light and Power Company, Ltd. was held in the office of the general managers, Messrs. Shaw, Warren & Co., St. George's Buildings, yesterday afternoon. Mr. Robert Shewan presided and those present included—Messrs. H. P. White, of the consulting committee, A. Babington, G. G. Gordon, E. W. Terrey, A. G. Gordon, H. F. Campbell, J. A. Young, A. G. Cordisio, R. Unsworth, P. M. Hodgson and D. H. Young, secretary.

The secretary read the notice calling the meeting. The Chairman said:—The object of the resolution before the meeting is solely for the purpose of enabling the Company to return capital and pay dividend to shareholders to the extent of \$300,000. The resolution is:—Resolved that the Company do return to the holders of the 50,000 \$10 shares of \$5 each and we shall make an equivalent payment in the shape of a bonus of \$5 per share to the holders of the 50,000 special \$1 shares. The paid up capital will then be \$300,000 in 50,000 shares of \$5 each and 50,000 shares of \$5 each and 50,000 shares of \$1 each. The present resolution which cannot be confirmed until an interval of fourteen days from today has elapsed will give us power to modify the right of any class of shares by a special resolution passed in accordance with an agreement made with a trustee acting on behalf of the holders of the class of shares in question provided such agreement is ratified by an extraordinary resolution. On the confirmation of the present resolution fifteen days hence the company will enter into the agreements referred to and we shall call meetings of each class of shareholders to pass the extraordinary resolution, to ratify these agreements. When that is done we shall on the same day (as an extraordinary resolution does not require to be confirmed) propose the special resolution to return and pay the \$300,000 which resolution will have to be confirmed after another interval of fourteen days. We shall then be in a position to apply to the Court for permission to make the return of capital and pay the bonus.

I beg to move the first resolution.—
That the Articles of Association of the Company be altered.

By inserting therein immediately after paragraph 4 of Clause VIII. a new paragraph as follows:—

5. Whenever the Capital of the Company is divided into several Classes of Shares all of any of the rights and privileges attached to any Class may be modified altered sub-divided re-arranged or dealt with by Special Resolution of the Company passed pursuant to an Agreement in writing made between the Company and some member of the Class purporting to contract on behalf of the members of the Class provided such agreement shall be ratified by Extraordinary Resolution passed at a separate Meeting of the Class or by writing under the hand of the holders of at least two-thirds of the shares of the Class and it shall be an objection to any such Agreement that it provides for a reduction of Capital otherwise than in accordance with the last rights of the holders of shares of the Class or for the payment of a dividend or bonus otherwise than in accordance with the rights of the Holders of the shares of the Class or for the allotment of shares credited as fully or partly paid up in satisfaction or part satisfaction of such dividend or bonus and for the purposes of this Clause a Resolution shall be an Extraordinary Resolution when it has been passed by a majority of not less than two-thirds of such members of the Class as are present in person or by proxy at a separate General Meeting of the Class of which Notice specifying the intention to propose the Resolution as an Extraordinary Resolution has been duly given and so that the quorum of any such Meeting shall be three members at least of the Class and so that the Meeting shall be called in accordance with the provisions hereof.

Mr. H. P. White seconded.

The resolution was unanimously adopted.

The Chairman: I beg to move the second resolution:—

2. By inserting immediately after paragraph 7 of Clause XVI. a new paragraph as follows:—

8. Any General Meeting declaring a Dividend may direct payment of such Dividend wholly or in part by the distribution of specific assets and in particular of paid up shares Debentures or Debenture stock of the Company or of any other Company or in any one or more of such ways and the General Managers shall give effect to such direction and where any difficulty arises in regard to the distribution they may settle the same as they think expedient and in particular may issue fractional Certificates and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members on the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in Trustees upon such Dividend may seem expedient to the General Managers. Where requisite a proper contract shall be filed in accordance with Section 7 of the Companies Act 1900 and the General Managers may appoint any person to sign such contract on behalf of the persons entitled to the Dividend and such appointment shall be effective.

Mr. Terrey seconded.

The resolution was unanimously adopted.

The Chairman: That is all the business, gentlemen. These resolutions will have, of course, to be confirmed at a meeting within fourteen days.

Mr. Terrey seconded.

The resolution was unanimously adopted.

The Chairman: That is all the business, gentlemen. These resolutions will have, of course, to be confirmed at a meeting within fourteen days.

Mr. Terrey seconded.

The resolution was unanimously adopted.

The Chairman: That is all the business, gentlemen. These resolutions will have, of course, to be confirmed at a meeting within fourteen days.

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Mr. Terrey seconded.

The resolution was unanimously adopted.

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THE BUSINESS HALF-YEAR.

RESULT OF WORKING OF COMPANIES IN JAPAN.

COTTON SPINNING.

The *Asahi* has an article dealing with the results of the working of companies in various branches of business for the half-year now closing. The journal notes that spinning companies generally held a large stock of raw cotton purchased at a lower price and brought over from the preceding period, and the yarn market ruled comparatively high. In consequence the heavy advance in the price of raw cotton seen since September has not had much effect on the profit of the spinning companies for the present period, and generally they have been able to obtain a result not less favourable than for the preceding period. The Osaka, Settsu, Fushikawa, and Kanaguchi are each enabled to pay a dividend at the rate of 12 per cent, the Anagasaki 30 per cent, and the Godo 30 per cent.

WEAVING.

With large stocks of raw-cotton bought at a low price, the weaving of broad widths (*hiroaba-mono*) has been satisfactory, but the result of cotton flamed weaving has been varied, depending as it does on the method of selling the goods. The result of the weaving of silk and wool mixed and of purely silk goods has been unsatisfactory.

PETROLEUM INDUSTRY.

The output of oil for the period under review has not been less, if it has been no more than that for the corresponding period in past years, and the method of refining has shown some improvement, but every company has been involved in no small expense by reason of the competition of foreign oil. The price has consequently been low, with the result that the net cash received in the past by some of the companies could not be neutralised. The Hoken Petroleum Company has been obliged to reduce its rate of dividend considerably, and the Japan Petroleum Company will be able to maintain its former rate of 10 per cent, only with difficulty.

SUGAR REFINING.

The production of sugar has been satisfactory and the market has been maintained fairly well, the supply and demand being well balanced; but the reserve for the maintenance of machinery and plant having been inadequate, each company has had to provide further funds for this purpose, and the dividend of the Kobe Sugar Company will be restricted to 7 per cent. per annum.

FERTILISERS.

CAMPBELL, MOORE & CO., LTD.

ANNUAL MEETING.

The twenty-third ordinary annual meeting of shareholders in the above Company was held at the Company's Offices, 14, Des Voeux Road, Central, at noon, last Wednesday, for the purpose of receiving the report and statement of accounts for the eighteen months ending 30th June, 1909. Mr. F. Ellis (general manager) presided. There were also present—Messrs. A. F. Arculli, V. F. Musio, A. R. Ellis, C. A. de Rosa, and Miss I. Blinshop.

The notice of the meeting having been read, the Chairman said:—Gentlemen, With your permission I will adopt the usual course and consider the report and statement of accounts at present in your hands as read. I regret to have to place before you these accounts showing such a large loss, which after wiping off your reserve will still take away another \$3000 odd dollars from your capital. This adverse state of affairs is explained by the fact that your stock stood, at a very large figure. The quantity of the various articles was by the gross whereas the sale being small, a period of 18 months for which no provision had been made when the company was earning large profits and paying huge dividends. The value of your stock, which stood at \$9,115.91 on 30th June, I may mention for your information, was arrived at by me with the co-operation of Messrs. Lowe, Bingham and Matthews' representative, who have also prepared the accounts. Staff—Your staff is composed at present of better men than in former years, in spite of which I am glad to state the pay list is less by over \$300 a month. Gentlemen's Saloon—The saloon, which is second to none in the Colony, is giving every satisfaction as is proved by the increasing number of subscribers. The subscriptions are larger by about \$100 per month than in the corresponding periods of last year. Ladies' Saloon—The orders which arrive daily and the attendance is much greater than in the previous years. The saloon is largely patronised, a fact which goes to show that it is also second to none in the Colony. Wigmaking, etc.—This department has also benefited with the others and orders for wigs, etc., is better than last year. The attendance at the various theatrical performances held during the year gave entire satisfaction. Gentlemen, I have nothing further to say beyond expressing my firm conviction that the affairs of your company are improving and that when you are next assembled here again I shall be in the position of requesting you to pass a statement of accounts with the balance on the right side. Should there be any questions you would like to ask, I will answer them to the best of my ability.

There were no questions. The Chairman moved the adoption of the report and accounts. Mr. V. F. Musio seconded. Carried unanimously. Mr. A. F. Arculli moved that Mr. A. O'D. Gourdine be re-elected auditor for the ensuing year. Mr. A. R. Ellis seconded. Agreed. Mr. Arculli—I propose a vote of thanks to the chairman for presiding and for the encouraging report he has given us. Mr. Musio seconded. Motion carried unanimously. The Chairman—I thank you for your kind remarks and attendance. That was all the business.

Following is the report:—Gentlemen—The general manager begs to submit the accompanying profit and loss account for the 18 months ended 30th June, 1909, and also balance sheet at 30th June, 1909, showing a loss for the period of \$7,333.47. This adverse result in the working of the period is attributed to general trade depression in the Colony, and to the drastic measures adopted in writing down the value of the stock.

Owing to illness the general manager was unable to take stock at 31st December, 1908, and under the circumstances, it was decided to leave this over to the 30th June, 1909, at which date the stock was duly taken. The accounts therefore cover a period of 18 months. Mr. A. O'D. Gourdine has audited the accounts now presented and offers himself for re-election.

F. ELLIS,

General Manager.

Hongkong, 14th December, 1909.

PROFIT AND LOSS ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1909.

To Balance from working A/c.....	\$5,893.61
Exchange	174.81
Insurance	146.90
Bad debts written off	5 737.77
Loss recovered	153.61
	\$84.00
Audit fees	300.00
Depreciation	
On furniture and fittings	122.84
Interest on deposits	9.18
	\$7,333.47

By Balance, loss for the 18 months transferred to balance sheet

\$7,333.47

\$7,333.47

BALANCE SHEET AT 30TH JUNE, 1909.

Dr.

Liabilities.

Capital	\$12,000.00
1,200 shares of \$10 each fully paid up	
Sundry Creditors	\$3,058.80
On General account	7,250.00
Losses	6,308.00
Reserve account, as per last balance sheet	9,000.00
Transferred to Profit and Loss account per contra	9,000.00
	\$18,308.00

Cr.

Assets.

Sundry Debtors	\$5,000.16
Less bad debts written off	737.75
	\$4,262.41
Stock—valued at	9,115.91
Furniture, fixtures and fittings	122.84
As per last balance sheet	122.84
Less depreciation	382.84
Additions during the 18 months	\$3,330.19
	1,709.00

Payments in advance	61.50
Insurance premium	
Employees' outward passages	598.04
	661.54
Cash	
In general manager's hands	\$10.14
With Chartered Bank of India, Australia and China	399.98
	\$40.12
Profit and Loss Account	4,885.55
Add unprovided for liability at 12/12/07	600.00
Adjusted Loss to 31/12/07	5,485.55
Loss for the 18 months ended 30th June, 1909, per Profit and Loss A/c	7,333.47
	12,719.02
Deduct reserve account per contra	9,000.00
	3,719.02
	18,308.00

CAMPBELL, MOORE & CO., LTD.
F. ELLIS, General Manager.

RAISING SILVER PRICES.

"FAIR EXCHANGE" LEAGUE SCHEME.

The "Fair Exchange" League is a movement intended to promote the export of manufactured and other products from Europe and America to the Orient by raising the market price of silver, writes the San Francisco Chronicle editorially. That trade with Asia is relatively decreasing is sure. That manufacturers are being transferred from Europe and America to India and China is equally sure, and the moment and present conditions must rapidly increase. Our capitalists and our workmen are threatened with an influx from Asia of commodities hitherto produced here at prices, duty paid, with which our mills cannot possibly compete. There is no doubt whatever that the cause of this impending change, so disastrous to us, is the low and decreasing price of silver as compared with gold. No one denies that anything which will increase the price of silver will check the transfer of industry to Asia. The Fair Exchange League, of which Mr. Robert F. Kennedy is the chief advocate, proposes what it believes will cause the necessary rise of silver.

There can be no question of the seriousness of the situation. It is worth while to consider whether the remedy proposed by the league would prove an effective remedy. The situation created by the low price of silver is that a given expenditure in silver money in Asia will produce two or three times the quantity of finished products which can be produced in Europe, and especially America, by the gold required to purchase the silver. This is the result of the silver paid labour applied to the gold-saving machinery which is at our own disposal. The Chinese and Indians receive the same rate of silver wages that they have always received. They will, apparently, continue to work for the same wages. The hope of the league is to make the silver cost the employers so much more gold than they now pay that their finished products will cost as much as the same products manufactured here.

The first step in the proposed process is to create a monetary vacuum by inducing the United States, Great Britain, and, if possible, France and Germany to lay down their treasuries \$500,000,000 of gold. What is the aggregate to be impounded by all the nations, or whether each is expected to impound that sum, is not made clear by any statement which we have seen. Apparently this is to be produced by special taxation without return of any equivalent from the treasury and to be an actual withdrawal from circulation. It would be equivalent to dumping the gold in the sea, except that it would be available for use if ever it was so desired.

It is intended that the vacuum thus produced shall be filled with silver, or rather, for the most part, small notes based on silver, dollar for dollar, precisely like our present silver certificates, the actual silver being stored in the treasury. This would involve the retirement of the smaller gold coins and of all small notes based on gold—that being the most convenient way of making room for silver. The theory of the Fair Exchange League is that the creation of this monetary vacuum would produce such an active demand for silver to fill that the price of silver would automatically rise to a point which would make manufacture in Asia unprofitable.

That a suddenly created vacuum of this kind would produce a sharp rise of silver there is no doubt. The question is whether the rise of silver would be permanent, or whether the silver miners would quickly flood the market and bring the price to a lower point than ever, which was what happened when this country alone undertook to raise the price by silver purchases. We do not know that this could be determined except by trial. The Colorado papers are booming the project enthusiastically as promising a "boom" in silver mining and the reopening of mines not now profitable. Moreover, Frawley will be here in a few days to more fully explain this doctrine and will doubtless devote himself to this crucial phase of the matter. There is no doubt that by concerted action the monetary vacuum can be created. The question is whether it will be filled from the silver now in existence or new silver which, but for the vacuum, would remain in the ground. The question of free coinage of gold would also cut some figure.

OPIMUM SMUGGLING.

CHINAMAN FINED IN MANILA.

The city secret service detectives have become convinced that the brain of one Isidoro Mendosa is most fertile and that he is capable of conceiving strange schemes. Isidoro appeared at the bureau a few days ago and informed the detectives where they could capture a Chinaman and an amount of opium. Following his direction they arrested Yip Ching Ty and found enough opium in his possession to justify a fine of \$500, reports the *Cebu News-American*. When Ty realized he was in for a fine, he told the detectives how he had been duped by the man who had informed them of his having opium. Ty had paid Mendosa \$500 for twelve tins which he thought contained opium. On investigation it was found that the tins contained molasses. Mendosa had inserted a rubber tube into one of the cans and plugging up the inserted end had placed a very small amount of opium in it. When the Chinaman dug into the tube he brought up a small amount of the dope and pronounced it fine. He willingly paid over the money and Mendosa departed for the secret service bureau. It was found by later investigation that Mendosa also had sold a large box supposedly containing opium but which really contained sticks and probably broken tea-sets.

The Chinaman is lamenting his fate for having no opium and being out \$500. Isidoro faces a charge or two which his cleverness has placed him liable to.

BELLIOS PUBLIC SCHOOL.

ANNUAL SALE OF EMBROIDERY.

The annual exhibition of the Bellios Public School was held on the premises of the school last Wednesday morning and was favoured with the presence of Mr. E. A. Irving, Director of Education. The hall was gaily decorated in Chinese style and, during the morning, the Chinese girls gave a series of recitations in Chinese and were heartily applauded for their efforts. A varied assortment of dainty fancy work was displayed in a prominent part of the buildings, the excellence of the articles fully testifying to the painstaking efforts of the teachers as well as the willingness of the pupils. In the course of the morning, Mr. Irving congratulated the children on their performance as well as their excellent exhibition of needlework. He hoped that when his Excellency distributed the prizes in connection with the girls' display at the Bellios Public School, some of the beautiful specimens of needlework would be put up for his inspection. It was well known that the Chinese were excellent imitators of art and the exhibitions displayed at morning were excellent imitations of art but imitation of art was not the highest form of art. The man who copied a picture of an artist was not such an advanced artist as the one who went to Nature and drew from simplicity. He was glad to see the same principle being adopted in the school and hoped that Mr. Irving would give it a trial. He congratulated Mr. Sung on the excellent progress of the school and said that the school was in a position of which he could feel very proud. It was three years since he was present on an occasion like that and he noticed a very great improvement indeed, which the speaker attributed to the staff and the great eagerness of the girls in their studies. At their own request, the girls of the two top standards were allowed to start the study of English and he was struck with the progress made. He proposed to continue the experiment during the next classes and concluded by congratulating the school on the excellent work done by the headmaster and the staff and the excellent work done by the school.

THE PROGRESS OF CHINA.

In the course of his report on the trade of Foochow for the year 1908, just published, Mr. Consul E. A. Irving makes the following interesting observations on the progress of China:—"The process of remodelling through which China is passing has, at some points, an influence on the course of trade. What Japan set her house in order 40 years ago the transformation took place suddenly. It was like a conjuring trick; the magician waved his wand and the alterations were effected in the twinkling of an eye. The Tycoon left by one door and the Mikado entered by another, and Japan has been a different country ever since. In China no such celerity has characterized the movement. The change in China is rather that of the hour-hand than of the minute-hand of a watch. The motion there is so slowly inevitable to the senses, that it will be some years before its general outcome is apparent to the onlooker."

"We are accustomed to look on China as the type of a conservative country far excellence. Some of her institutions have existed from time immemorial, and to most of us, who consider the matter at all, it seemed as if these unchanging features might continue without alteration to the end of time. Such for instance, was her system of competitive examinations whereby officialdom was gained to the hierarchy of officialdom. Since 1900, which appears to have been the turning-point of China's existence as a nation, she has abandoned the system itself, but the curriculum of study on which it was based. No longer can candidates satisfy the examiners by a parrotlike knowledge of a dozen canons and classics. The science of the West has now to be included in their purview and their horizon has been very considerably widened."

"One consequence is that the school-master pervades the land; he has done that, it is true, for centuries, but now he is of another type and needs much more extensive acquirements. Schools have sprung up everywhere, at least in the fringe of land bordering the sea and the Great River which has been leavened by the presence of Europeans. Here the new knowledge is injected and to these schools the youth of China is flocking eagerly and in their myriads. There have long been schools of Western knowledge managed by Europeans, chiefly missionaries of various sects and nationalities, but what is noteworthy in the present reform of learning is the number of schools established by the Government. The officials are clever enough when establishing their schools, to make them certain privileges denied by outside educational establishments. For instance, it is proposed to establish constitutional government in China; this implies the election of representatives by the people to form a national assembly or provincial councils. It has already been decided that the franchise shall be extended to pupils of Government schools but to no other students."

"There is a curious fact, though undoubtedly no more than a singular coincidence, in connection with the old-fashioned competitive examinations. When they disappeared the proud titles *Prinsep, Scipius, Terentius*, and *Quartus* indicating the four candidates who took the highest places in the Palace examination, the *Prinsep*, or as the Chinese call him, the *Chuang Yuan*, took an almost inconceivably high place in the public estimation, and the towns which produced such a paragon acquired thereby undying fame. The coincidence I refer to is that it was almost simultaneously decided to abolish the title of *Senior Wrangler* at Cambridge, which corresponds as closely as possible with *Chuang Yuan* in China."

"Another national movement of an extraordinary nature is the rule and people have done to demolish the national vice of opium smoking. The stimulus came from above in the form of an Imperial Edict, but it is doubtful whether even a Decree of the Emperor would have done effectual work had not the people shown they were heart and soul in the crusade, and that they were determined the mighty enterprise should succeed. It is still too early to pronounce whether China has succeeded in her endeavour or indeed to be absolutely certain that she is honest in her wish to see the last of the produce of the poppy. But there is, at least, in this part of China, evidence that rulers and people are sincere, for streets of opium shops have been closed and myriads of pipes and other smoking paraphernalia have been committed to the flames."

POSTHUMOUS HONOUR.

H. K. Yuen Shun Shue, Victoria, in October, has memorialized the General Government for posthumous honour to the late Huang Ching-li, Brigade-General of Kiangchi, Kwangsi. An Imperial Rescript has been issued for the sanction of his memorial. The said Yuen also prayed that 'Lo Pao-shien, a well known merchant in Canton, may be rewarded for contributing a large sum of money towards the naval fleet.' The Board concerned has been ordered to consider the reward.—*Singapore Mercury*.

POLICE RECREATION CLUB.

CHILDREN'S SPORTS.

Last Monday afternoon, the Police Recreation Club held a children's sports meeting on the grounds of the Club at Happy Valley, as a result of which a goodly number of children of members of the Police Force were seen happy and laden with the good things that their elders had thoughtfully provided for them at this festive season of the year. Besides the afternoon sports, there were other attractions for those for whom they had been intended. Among these was a Christmas tree from whose branches each little child received a present to delight his little heart. Lawn-bowl competitions were also held during the afternoon, in which sturdy members of the Force were afforded an opportunity to display their skill. The band of H.M.S. *Xing Ai* played selections of music in the course of the afternoon while the funny antics of a couple of men attired in clownish garb excited no little merriment among both young and old. At the conclusion of the sports, Mrs. F. J. Badesley, wife of the Captain Superintendent of Police, presented the prizes to the successful competitors and was made the recipient of a handsome bouquet, besides receiving three hearty cheers from the lusty throats of those present. Altogether, the meeting proved most enjoyable and Chief Detective-Inspector Hanson and his assistants cannot be too highly praised for the success of their efforts in providing a highly enjoyable afternoon.

The results of the various events were as follows:—

GIRLS' RACE, under six years, 100 yards, Handicap.	
Miss M. Gerrard	1
Miss M. Kent	2
BOYS' RACE, under six years, 100 yards, Handicap.	
Master W. Gerrard	1
Master W. Hanson	2
GENTS' RACE, over 30 years, Handicap.	
Mr. J. Grant	1
LADIES' SEWING COMPETITION.	
Mr. McLennan, nominated by Mrs. Langley	1
Mr. Bell, nominated by Mrs. Kent	2
GIRLS' RACE, over six years, Handicap.	
Miss J. Baker	1
Miss J. Grant	2
BOYS' RACE, over six years, Handicap.	
Master Claude Robertson	1
Master H. Langley	2
LADIES' COCONUT SHYING COMPETITION.	
Mrs. Angus	1
Mrs. J. Wall	2
GIRLS' SKIPPING COMPETITION, over six years.	
Miss Gerrard	1
Miss Baker	2
Miss Langley	3
Miss Robertson	4
GENTS' RACE, under 30 years.	
K. McLennan	1
LADIES' EGG AND SPOON RACE.	
Mrs. Wright	1
Mrs. Kent	2

THE DUTCH IN THE FAR EAST.

OBSERVATIONS BY A JAPANESE POLITICIAN.

Mr. Takegoshi, M.P., who has just returned from an extensive trip in the Dutch and French colonies in the East, contributes an article to the *Taiyo*, from which we make the following extracts:—

THE SUNDA STRAIT.

"The strait between Java and Sumatra is called the Sunda Strait. A very small island situated at the entrance of this strait was the first foothold for the Hollanders, from which they were enabled to occupy the two great and fertile islands which are now under their sway. The first occupation of the little island was the key to the success of the Dutch in the East. This passage from the China Sea to the Indian Ocean was not discovered by them; indeed, it was known to ancient navigators much earlier than the Strait of Malacca. It was through this strait that Kublai Khan sent his mission to India. The Mongols called the strait *Juntai*, from which the present name is supposed to have been derived. The strategic value of the strait has been well known to all the great powers of the world. At this point the Russian fleet would go through the strait. With this idea the Russian Admiral piloted his vessels through the Malacca Strait instead. The great strategic value of the Sunda Strait cannot therefore be overlooked."

"The population of Java and Sumatra is roughly estimated at 40 million, but the Dutch rule does not prevail very thoroughly. There are frequent uprisings and skirmishes in circumstances which are not easy to count. In these circumstances, a large number of people is of course not definitely known. The area of Sumatra alone is almost as large as the Japanese Empire excluding Formosa, and the whole Dutch possessions in the East are estimated to have an area of 700,000 square miles. Such a great and fertile territory seems almost too good and extravagant for a country like Holland, which is only one of the small Powers in Europe."

OPPORTUNITIES FOR JAPAN.

"On the other hand, it was a misfortune, though not inevitable for the Japanese, that we had to fight with Russia and take the responsibility of Korea and Manchuria. History seems to tell us that the northern races are the conquerors of the south. The long history of twenty-four dynasties in China has been a continued demonstration of this principle, except in a few isolated instances. Our expansion to the north is thus against natural tendency, and though we have to obey the dictates of destiny and protect our acquired rights in Manchuria, we do it in the face of the warning of history, and cannot hope for an expansion of our national and industrial rights further north. In these places, continental possessions have proved disastrous to island kingdoms. Witness the case of England. Normandy was a costly and wasteful possession to England, whose defeat at the hand of John of Arc proved a blessing in disguise. The relation between Japan and Manchuria is similar to that between England and Normandy. Japan has acquired prerogatives in Manchuria, but our attempt to exercise these prerogatives is alleged to conflict with the interests of other Powers, so that our march north may prove the means of exhausting our national resources. Perhaps we have to abide by the consequences. But I want to follow the teaching of history and to turn our attention from the continent to the islands—in other words, from the north to the south. I say at the outset, however, that I am a strong advocate of peace and that our oceanic expansion must ever aim at peaceful development."

"Now concerning the condition of the Dutch possessions in the East. Holland has owned the East Indian Islands for over 300 years, but there are only 70,000 Hollanders there. We have possessed Formosa only a little over 100 years, but there are already more than 100,000 Japanese in the island, excluding soldiers. Even if we take into account the difficulties of

the passage from Holland to the East, this progress of colonization on the part of the Dutch must be regarded as too slow, and demonstrates the lack of an aggressive spirit. There are very few Dutch women in the colony, but male Hollanders are prohibited from marrying with the natives. The inevitable result is that the men simply cohabit with the natives. Besides, officers and others who stay only a few years have relations with the women, who seem to think it an honour to cohabit with Hollanders, whom they have been taught to regard as of a superior race. Thus the number of half-breed children is very great. These Eurasians are 'more Holland than the Hollanders.' They put on more than real Dutchmen and treat the natives with contempt."

FALLINGS IN THE GOVERNMENT POLICY.

"The Budget of the Dutch East Indian possessions shows a deficit of about ¥10,000,000 every year, which has to be supplied from the home country. But this does not mean that this Dutch possession is not lucrative to the land. No other Dutch colony has contributed so much to the wealth of the home country. The capital invested here has realised fabulous profits. This deficit in the administrative finances arises out of the Dutch policy of keeping the natives ignorant. The natives are not encouraged to improve their condition; consequently their wealth remains stationary, and the revenue does not increase. That the Dutch Government apparently does not concern itself much about the advance of civilisation in these islands may be seen from the small number of students attending school. There are only 48,000 pupils all told in the island. This policy of keeping the people ignorant is suicidal to the Government, and this is the only point which I did not approve in the Dutch policy."

CONDITIONS OF THE ISLANDERS.

"When Holland took possession of these islands, the whole land became the property of the Government, and the natives were made tenants or serfs and forced to cultivate sugar, coffee or quina according to order. The natives are very happy-go-lucky people, however, and shirked the work at every opportunity. They were subsequently ordered to give one-fourth of their labour to the Government. As a result they had to work 225 days out of the 365 for 50 years a day. With this labour the Dutch Government raised coffee, sugar, and quina, and supplied the European markets with the commodities. This proved a great source of wealth to Holland. Though this slave-like system has been abolished by the humanitarian efforts of an official, the natives have not yet shaken off the spirit of slavery and their condition of life is indeed pitiable. In a few cases, private possession of land has been granted to certain native officials, and some grants were made during the temporary possession of the colony by the British; but the natives are so ignorant that these private lands are rapidly passing into the hands of grasping individuals in exchange for a very small amount of money. The Dutch Government has now on foot a plan to redeem private land in order to prevent this evil. The Government has also endeavoured to nationalise the railways, stimulated doubtless by the policy of the Japanese Government. The present services are very badly managed."

"Of the population of 36,000,000 in Java, 70,000 are Dutch and 35,000,000 Chinese. In the time of the Great Mogul, the Chinese began to settle in the islands, and though they have experienced two great massacres, they are still thriving even under numerous oppressive regulations and heavy taxation. The Chinese are said to be the richest of all resident foreigners."

"In its scheme of colonialism, the Dutch Government adopted a wise policy of interfering with native institutions as little as possible. Old usages are respected and through the help of native chiefs the natives are governed tolerably well. Thus weak Holland has been enabled to hold her great possession without much trouble. It would be worth our while further to investigate their colonial policy, and here we must again divert our attention from the north to the south, from the continent to the islands."

FRENCH INDO-CHINA.

Concerning French Indo-China, Mr. Takegoshi expresses great admiration for the French railway undertaking connecting Tongking with Yunnan in China, in which it is proposed to make a connection with Hankow through Szechuan. He deprecates that the commercial opportunities of Indo-China are not much appreciated by the Japanese, notwithstanding the existence of the Franco-Japanese understanding. He adduces the lack of a Japanese steamship service to French Indo-China and the high import tariff as the obstacles to the development of trade. He suggests that the coming tariff revision be in the interests of both countries. Mr. Takegoshi insists that the surest means of securing peace and good will between nations is to promote commercial and industrial intercourse.—*Japan Chronicle*.

N. D. L. TO BORNEO.

During last month the N. D. L. steamers *Darwin* and *Marudu* have run at irregular dates and omitted parts of their run as they have had to go into dock in Singapore for cleaning and overhaul.

The irregularity has caused some of us a little inconvenience and we are glad to see that during December the usual dates will be followed.

It is only during the last few years that we have been accustomed to the regular arrivals and sailings of steamers for Singapore. When the N. D. L. first bought the steamers on the Borneo branch the ships left much to be desired both in comfort and regularity. As recently as at January 1903 an ode was published in these columns dealing with irregular arrivals of the mails and, in publishing this, the Editor noted as follows:—

"Our readers will remember at the commencement of this service of boats, shortly after the transfer of the Blue Funnel local steamers to the East India Steamship Co., how in November, December, 1900 and January of 1901 only six of these steamers arrived with Singapore and European mails so that one boat came into port with four English mails on board. Now, however, that Messrs. Behm, Meyer have succeeded in establishing a reputation for running a regular and well conducted service of mail boats the following need not be taken amiss."

The reputation then established has been well maintained and the service considerably improved. The old *Kadau* and *Tringam* have been replaced on the Singapore line by the excellently fitted up steamers *Darwin* and *Borneo*, built especially for this run and the Hongkong line, the *Shandaken* on the Borneo branch, these ships are no trouble to complain of which are extremely comfortable and the mails are fully and regularly delivered. We in B.N.B. rely entirely on this line for our communication with Singapore and, except for the *Maunung* of the Indo-China Steamship Navigation Co., with Hongkong, and we have cause to be grateful to the N.D.L. and their managing agents Messrs. Behm, Meyer & Co. for providing such excellent steamers and for running a regular and convenient service.—*B. N. B. Chronicle*.

THE SCHOOL TRAGEDY.

THE PREMIER'S RECOVERY IMPROVABLE.

Tokio, December 29.—The Premier of Korea, who was attacked by a would-be assassin yesterday, sustained an injury in the shoulder that reaches the lung and two injuries in the abdomen which reach the kidneys. The doctors at the Seoul Hospital administered three injections last night but the Premier is in a sinking condition and his recovery is improbable.

The assailant comes from Phung-yang and is twenty-one years of age. He spent six years in America and is an adherent to the Presbyterian creed. The young man was opposed to the societies favouring federation between Korea and Japan.

The weapon used was a Russian cavalry lance-head and the assassin was found to be carrying a revolver also. After wounding the Premier, he stabbed a Japanese policeman in the abdomen, but the policeman arrested him with the help of a Korean constable.

The existence of an accomplice is suspected. The tragedy occurred when the Premier was on his way back from a memorial service for King Leopold.

The Premier's rich uncle was killed during the affray.—*N. C. D. News*.

FIRE AT MACAO.

MANY HOUSES DESTROYED.

A report is to hand of a big conflagration which broke out in a Chinese house near the Hongkong Steamboat Co.'s wharf, at Macao, on Saturday and was not extinguished until the following morning. As there was a fresh breeze blowing at the time the fire spread rapidly and destroyed quite a number of Chinese shops and the better class in Macao. No further particulars are available to-day, beyond the fact that the conflagration was one of the most destructive that have occurred in the Portuguese city within recent years.

FOREIGN MERCHANTS IN JAPAN.

A JAPANESE VIEW.

The *Economist* *Francis*, which for some years has published contributions from a Mr. Urakami, has an article by that gentleman on the "Situation of European Merchants in Japan." The article is reproduced in the *Asahi* and is translated by the *Japan Chronicle* as follows:—

"With the facility and rapidly in progress day by day of the sea and land communications between Europe and Japan, and also with the extension of European languages—especially English—the business transacted for the needs of the Japanese by the Europeans and Americans residing in our ports becomes more restricted every year. It would become the centre of our foreign trade is becoming displaced equally at the expense of the ports of Yokohama and Kobe. I say that this business is diminishing more and more every day, to the detriment of the Europeans who dwell among us, because of the fact that the Japanese is developing to a great extent. Thus, in proportion as we are buying in European and American markets by direct trading, new centres of export and import are opened one by one in our secondary ports, such as Shimizu, Yokohama, etc., according to the commodity dealt in by the native exporters and importers. The European merchants of Yokohama and Kobe are thus witnessing a diminution in the orders which they formerly received from the hands of our Japanese—in other words, these orders, instead of going to them, are going directly to the foreign markets by letters, discharging with the intermediary of the European merchants, which had been exclusively utilized until recently."

"The direct export and import undertaken by the Japanese is carried on in the ports which lie near the places of production. This is only natural, as in this case it is much easier to apply either to Yokohama or to Kobe; and directly to our smaller ports which have commenced to prosper owing to the direct trade of our countrymen, Shimizu, Yokohama and Yokkaichi occupy the first rank. Thus Shimizu, the port for the direct export of tea, which before 1906 had exported the leaf to a value of no more than ¥300,000, sold a million yen's worth last year. This commodity, which goes principally to North America, had previously been dealt in at Yokohama; but, as the port of Shimizu is situated in the actual centre of the districts where the tea is cultivated and prepared, the merchants and producers of the tea no longer turn to Yokohama, but prefer to deal directly with the American importers of San Francisco or New York. In the same way the port of Yokkaichi, the province of tea, is to-day gaining greatly in prosperity. It imports cotton, sugar, petroleum, etc., directly from abroad without utilizing the intermediary of Yokohama, and from one million yen in 1907, the figure represented by these articles has reached 20 millions yearly since 1907."

REVIEW OF HONGKONG TRADE IN 1900.

BRIGHTER PROSPECTS FOR SHIPPING.

RECORD PRICES FOR OPIUM.

A BOOM IN RUBBER.

SUGAR AND RICE STAPLES STEADY.

EFFECTS OF THE LIQUORS ORDINANCE.

As Lord Rosebery in a famous utterance declared, "the Nile was Egypt and Egypt was the Nile," so we in this Colony might well say that our Harbour is Hongkong, Hongkong is the Harbour. At any rate, in taking up a review of trade in the year which closes to-day, it would not be justifiable to discuss any branch of business without first giving consideration to the shipping which forms the backbone of the Colony's constitution. In this direction, unfortunately, the local freight market was anything but favourable, at the beginning of the year and though it experienced the usual rush during the first quarter, with the opening of the Northern ports and later on with the coming of the new crop of rice from Siam and Indo-China, there was a general slackness throughout the middle of the year, and it was only towards the close that an upward tendency became apparent for forward dates; but this upward tendency is believed both by shipowners and charterers to be a stable one for the incoming twelvemonth, and many fixtures have already been placed by the big firms as well as by smaller investors. Though the rice crop in Kwangtung and Kwangsi has been damaged by

typhoons and floods to the extent of some 40 per cent, the crops in Siam and Indo-China are reported to be excellent in quality and bulk, so that there must be an increased demand for outside carriers from these countries to Hongkong, and Japan will doubtless supply its quota to the depleted Canton stocks. As regards the bean and bean-cake trade from Vladivostok and Newchwang, advisers say that the crop is abnormally heavy, but it has largely—almost wholly—been bought up by buyers in Europe, and as cargo outward is not easily procurable the big freighters out East will be in much demand for the home-ward trade and rates must necessarily enhance, whilst the devotion of these vessels to this branch of trade will naturally give greater scope for the smaller carriers, so that the freight market should continue to be very solid throughout the New Year—certainly much more so than it has ruled during 1900. So far as the import trade is concerned, the leading shipowners here declare that there is a slight but not very appreciable improvement, evidenced substantially by the diminution of business done by the Wharf and Godown Company. Another fact which went to show the state of the market was that a number of ships loading out from Europe had to seek fresh ports for the discharge of their cargoes apart from the older treaty ports, whilst there was also a difficulty in filling ships on the old coasting trade routes. A considerable number of vessels which had formerly been employed in the Far Eastern trade was laid up at Home owing to the difficulty of procuring payable cargo. Regarding homeward business, there was a very

FAIR EXPORT FROM CHINA
In most classes of produce and also from the Philippines. The export of rice from Japan and Indo-China ports was very good and the bean export from Manchuria showed an enormous advance, with the result that difficulty arose in getting heavy tonnage to carry this freight booked for Europe. The import trade did not improve in the same ratio although it ruled better during the year than it had done for some time past. One satisfactory feature was that Chinese importers had practically worked off all their old stocks and in future it is not likely that large stocks will be held. On the contrary, the policy of Chinese importers seems to be to live more from hand to mouth so as to avoid a recurrence of the financial crash which took place eighteen months ago, when several big firms both in Hongkong and up North had a very bad time and were only saved by the Banks. The homeward trade for 1901 is distinctly encouraging and the immense bean export from Manchuria is absorbing all the spare tonnage at very fair rates, so that steadiness may be looked for in this direction. Importers are doing very well, but nothing in the way of a boom can be expected in the near future at any rate.

IN A GENERAL SENSE
The trade of China must increase enormously as Yangtze, on and as the railways system is completed, with a consequent facilitating and opening of freights from the interior to the shipping ports, and in this direction European merchants and shipowners consider it probable that so much opposition is shown by the local gentry in the various districts where railways are desirable against the employment of foreign capital and foreign engineers for the construction of the several lines contemplated or in hand, for there can be little doubt, even among the Chinese gentry, after the sorry show made in the Hankow-Canton Railway affair, that both foreign engineers and foreign capital are necessary to carry out railway building enterprises on a large scale at present.

low the very low price at which they closed this time last year.

SILVER.
The extremes of silver quotations during the year were 24½ per oz. in May and 23 1/16 in March and during the week October-November, while the Bank's T.T. rates have been 12, 9½, and 12, 8 1/16 per 5, respectively. There has been comparative stability in the prices of bar silver; the fluctuations have been small, indeed, when compared to what they were during the past eight years. Eliminating the speculative element, India and China as usual were the influencing factors determining the rise and fall in the price of the white metal whose prospects for the coming year, in view of the promising trade outlook in North China, show a hardening tendency.

SHIPPING.

During the last two years the local shipping market has been largely overstocked; there have been more ships on the coast than the trade demanded. But in the natural course of events those bottoms which have been lying idle or only sparsely employed at low freights have one by one been withdrawn from the coast trade in the interval, and in consequence the freight market is now on a more equitable footing as regards supply and demand. Rates have stiffened for the North, whence have come the best of news regarding both the rice and bean crop and several fixtures have already been placed to cover the rice exports from the Yangtze valley as well as the vast bean produce of Manchuria. According to reports from Saigon and Bangkok the rice crop in their respective territories has been exceptionally good, whilst Java sugar continues stable and the Manila product promises not only to keep well up to the standard of former years but to surpass anything that has gone before now that the Hongkong resources are again in full swing. Certainly, the state of things to-day is incomparably better than it was a year ago and within the last month or two the freight market has improved much in favour of ship owners and agents, who confidently anticipate a continuance of this good streak well into the new year with few or no idle vessels lying on their hands.

FROM MONTH TO MONTH.

For our detailed account of the state of the Hongkong Freight Market we are largely indebted to the periodical report issued by Messrs. Lambie and Rogge, ship brokers. In the early part of January an insignificant amount of chartering took place, mostly made up of fixtures of tonnage for coal requirements. From Saigon the centre of attention, at that period of the year, had now come to the effect that the rice crop was far short of anticipation owing to disastrous floods; whilst the Bangkok rice-fields also suffered from the floods and to such an extent that outside tonnage was not considered, as likely to be required. This necessarily led to increased activity from the Yangtze, where the rice crop was good and unharmed, and the big companies regained a firm hold of this trade, which had been endangered through disagreements with the shippers. As the month proceeded, however, the Saigon market proved not altogether unremunerative, and charterers secured tonnage in Hongkong to the extent of some 33,000 piculs, whilst a few steamers were fixed for the Saigon-Philippines trade. The trade secured from Hongkong to Saigon—varying from 13 to 15 cents—was a fair index of the state of the freight market. Things slightly improved toward the end of the month and a Saigon-Java fixture was closed at 23½ cents per picul.

A DULL FEBRUARY.

With the advent of February, it had been confidently anticipated that there would be signs observable of the Saigon rice trade broadening out, but up till the end of the first week of the month not a single order was traceable for any prompt or forward date. This state of affairs was attributable to heavy stocks of grain held in Canton and a very sluggish rice market here; and hopes were not entertained that much improvement would make itself felt until March. Northern business, too, had been hampered by the intervention of the China New Year holidays, and a lively market was not looked for until the re-opening of the ice-bound ports. During the remainder of the month the freight market remained in an inauspicious condition, southern freights in particular being a source of disappointment to owners, who happened to have tonnage in position in one port or another. In places like Saigon, Bangkok and Singapore modern vessels were disengaged owing to lack of such employment as would leave even the smallest margin of profit. What little cargo there was moving in the Saigon-Hongkong trade was readily booked at 8 cents per picul by the vessels usually employed in the run. A few steamers found employment from Tallienwan to Canton—one at 15 cents and the others at 10 cents per picul.

A FREIGHT WAR.

In the ensuing month of March, Saigon business continued to drag considerably although there was a slight improvement of rates, which rose to 13 cents per picul. The first charter for the season was obtained from Newchwang at 25 cents to Canton, and it was calculated that the northern port would re-open about the 17th of the month. But the most important feature of the market was the sudden revival of a concern which had the year before been floated but which had disappeared from notice in the interval. This was a combination of Chinese and Siamese merchants, who were evidently determined to make a bold bid for a share in the traffic between Bangkok and Hongkong, hitherto monopolised by the North German Lloyd. With this end in view they chartered, all being of modern build, were eminently suited for the trade. The total carrying capacity of these vessels amounted to over 200,000 piculs. The birth of this concern had an undoubted bearing on the local market, for it meant that a freight war must ensue between the North German Lloyd and the new venture and that, consequently, outside tonnage would stand no chance of obtaining employment on the run during the season; while, on the other hand, these six steamers had no longer to be reckoned with in the Saigon trade, and it was anticipated that rates in general would be favourably influenced by the occurrence. During the remainder of the month, however, rates generally were far from satisfactory from the owners' point of view, and the Saigon trade was singularly inactive for the time of the year. Newchwang-Canton had two further charters, whilst coal tonnage from Japan was extremely scarce, several Moji-Hongkong inquiries, placed on the London market, being unresponded to.

A BETTER TONE.

With the advent of May a better tone was prevalent in the freight market, owing to an increased demand for tonnage both in the South and up North and judging by the number of inquiries set on foot it was evident that the protracted period of depression, which coast shipping had passed through, was coming to a termination. The Saigon rice trade, too, had firmed up, and the rate had increased to 15 cents. From Saigon to Singapore one charter was fixed up at 15½ cents per picul. Two Newchwang-Canton charters were booked at 23 and 24 respectively, two Saigon-Philippines settlements were reported at 25 cents, whilst several steamers were reported closed at 23½ cents on the Saigon-Java run. Yangtze business was very lively and Northern freights generally were favourable. Coal was steady with rates showing an upward tendency. As the month progressed, the former surplus of tonnage entirely vanished and demand began to exceed supply. The Indo-China S. N. Co. and the China Navigation Co., being both well provided for in their own sphere up North, there could be no question of these two fleets interfering with other business, so that "outsiders" after a long spell of adversity found themselves in demand for employment with consideration. The Saigon rate rose to 17 cents. Several inquiries for the Saigon-Singapore run were not taken up, as owners were able to find more profitable employment up North. The new rivals of the North German Lloyd, before alluded to, had the first two of their six chartered boats loaded at Bangkok for Hongkong. Several Newchwang-Canton charters were fixed up at 30 cents. From Wuhu to Swatow and Canton, tonnage was eagerly inquired for with the rate standing at 22 to 23 cents. Coal freights continued firm and tonnage was as scarce as ever. It was also worthy of note that two Scandinavian steamers had been taken up for short terms by Halphong shippers, who had decided to carry out a boycott against the three shipping companies hitherto monopolising the Halphong trade.

THE LIVELY NORTH.

Although freights in the South had shown a slackening off towards the end of April, the Northern trade had more than made up for the deficiency, and in consequence of tonnage getting scarcer and scarcer rates of freight from the Yangtze and Newchwang southwards improved further, being on the 1st of May 30 per cent better than they had been a month previous. In consequence of the rice market becoming sluggish, charterers reduced the Saigon-Hongkong rate to 14 cents. The rate war between the North German Lloyd and the Siamese-Chinese combine now began to earnest, the former company booking cargo at 25½ cents as against 18½ cents formerly. Newchwang had several fixtures for Canton, the last one on a basis of 31 cents per picul—the highest rate on record since 1904. The Wuhu-Canton trade continued strong and more tonnage was asked for the Wuhu-Swatow and Wuhu-Hankow trade than could be obtained. In coal freights \$2.10 was offered from Moji to Hongkong, but even at that enhanced rate charterers found it impossible to secure tonnage. The Moji-Singapore rate stood at \$3 and the Wakuamato-Canton rate at \$2.70 with no steamers obtainable. Towards the middle of the month the local rice market showed signs of improvement. Hilo had the first sugar shipments of the season to North China ports and the crop was described as excellent. The feverish activity from Yangtze ports had slightly abated but sufficient stocks of rice were still left to warrant the employment of outside bottoms in addition to the usual liners. The end of the month saw a practical collapse of the Saigon-Hongkong market; only two liners being settled, both at miserable rates. Advice from the North also reported a dull market there.

JUNE A DULL MONTH.

With the incoming of June there was no improvement. On the contrary, the freight market was decidedly feeble and but few inquiries were made. Both up North and in the South the market was almost bare of orders. No recovery whatever had set in with regard to the Saigon trade and after the fixture of a couple of vessels at 10 cents no further tonnage seemed to be wanted. Advice from the North described the position of the market as having undergone a decided change for the worse. Export from the Yangtze had come to a standstill practically owing to the long continued absence of rain, in consequence of which there was no water in the inland creeks and the native boats, of course, could not bring cargo down to their shipping ports. An insignificant demand showed for the Newchwang-Canton business. Coal freights formed the only branch of the coast trade which did not participate in the general depression. As the month advanced, there was no improvement in coast freights. Owing to steamers being in ample supply, rates could not rise, and in some cases they had even further weakened. In the Saigon to Hongkong trade, one fixture was settled as low as 9 cents per picul. Two steamers found employment in the Saigon-Philippines trade at 23½ and 24 cents per picul respectively. There was no room for "outsiders" from Bangkok to Hongkong; the entire business being absorbed by the North German Lloyd steamers, and those of the new Chinese Siamese S. S. Co., who appeared to have every confidence in the success of their venture, as they had just engaged for one year another steamer in addition to the six they employed, and "outsiders" were

effort that the fleet would be still further increased. Yangtze freights, which had looked so promising a short while before, were now practically dead. Coal tonnage remained in good request, though, naturally, rates suffered somewhat in consequence of the slackness of freights generally and the greater supply of carriers.

CONTINUED DEPRESSION.

During the first half of June the freight market presented no fresh feature of importance, business continued to be restricted, and rates remained below the profitable mark. The same weak feeling prevailed in connection with the Saigon-Hongkong business and the freight rate receded to 8 cents, on which basis one of the steamers regularly trading was settled. A few charters were effected for the Saigon-Philippines run, at rates showing a downward tendency. Two vessels were chartered for the Newchwang-Canton run at 24 cents per picul, part cargo, and others were inquired for at the same rate, whilst some demand existed for tonnage from Newchwang to Amoy with the result that two carriers were engaged at about 22 cents per picul. Northern freights, Yangtze business in particular, continued unfavourable. Coal was steady. The remaining portion of the month of July was worse than the two weeks that had gone before. The freight market continued to be very feeble and less business was done. The Saigon-Hongkong rate advanced to 11 cents, but the low stock of grain in the French port prevented charterers from going in for further operations. In the Saigon-Philippines direction, two fixtures were made at 23 and 24 cents per picul, respectively, but there was no further business reported. A Canton-Newchwang charter was done at the slightly improved rate of 24½ cents per picul. Coal remained steady.

JULY ANOTHER BAD MONTH.

With the incoming of August, the freight market continued to be very feeble with no immediate prospects of a change for the better. The Saigon-Hongkong rate remained at 11 cents without any fresh business being done. Three new fixtures were made in the Saigon-Philippines direction, one at 24 cents, one at 25 cents and the third at 21 cents—all for discharge at one port. There was also one Saigon-Singapore charter at 15½ cents per picul. For the Newchwang-Canton trade two vessels were fixed at 24½ cents per picul, but owing to a rise in the price of beans in the North there were no more orders in this direction. During the rest of this month the market remained in the same deplorable state, but there was a few fixtures for the Java sugar trade.

COAL A GLUT IN THE MARKET.

Regarding coal freights, the heavy supplies received during the preceding two months had led to a glut in the market and the demand for tonnage had consequently eased off for the time being. The Moji rate, which had stood for some time at \$3.10, declined to \$3 and later only \$1.75 was offered. For Hongkong-Canton a suitable steamer secured \$1.60, but after this only \$1.50 was on offer. Some inquiry, which came to nothing in the end, was made for tonnage to load coal in Borneo for the Philippines and Hongkong. One fixture was made to bring Manchurian coal from Dalny to Hongkong at \$2.10. The freight market touched

LOW WATER MARK.

In September, during which month it went from bad to worse, the Saigon rate receded to 8 cents per picul and no fixtures were recorded. For the Saigon-Philippines trade a few charters took place at rates showing a downward tendency. The only hopeful sign at the beginning of the month was the firmness of the local sugar market and the fixture of two more vessels seemed to indicate that more tonnage would be wanted later on. Coal freights were slightly better. During the latter half of September the market did not improve in any way and fixtures were few. There was no demand for Saigon rice and consequently no new charters were placed. A fairly large business in rice had been prophesied as being likely to take place from Saigon to the Philippines if the rain held off much longer in the islands and two charters were made on the basis of 21 cents. It was recorded that the orders on the Saigon and Java markets had been picked up by the North German Lloyd Orient steamers at rates which were considered to be very low for the business by local owners and agents. As regards coal freights, there was, towards the end of the month, a slightly better inquiry for tonnage and several fixtures were concluded at much the same rates as those quoted above. The features of most interest in September were the opening of the Newchwang season, which led to several fixtures at the enhanced rate of 25 cents per picul, with a further demand for tonnage confidently anticipated, and the fact that the local

SUGAR MARKET WAS FIRM.

During the first fortnight in October the sugar market became stronger than ever. Sugar freights from the Philippines to China had now firmed up, at any rate for the year, owing to the fact that all available stocks in the islands had been bought up by the United States at high prices. This was one of the immediate effects of the Payne Bill, but it remains to be seen how things will work out in the coming year. Of course the probability is that all Philippine sugar will go to the United States in future unless China pays very high prices. The immediate consequence has been that China has had to go to Java for her entire sugar supply, leading to a good deal of outside tonnage being taken up, and it is more than probable that in future China will have to depend entirely upon Java for her sugar supply.

FREIGHT MARKET IMPROVING.

During the first half of October, chartering operations had been on a much larger scale than what had been the average of late, due mostly to the opening of the Newchwang and Yangtze seasons. The Saigon-Hongkong rate had meanwhile receded to a nominal figure of 6 cents per picul, while a few Saigon-Philippines fixtures had been concluded at 24 cents, with more demand for tonnage anticipated. Two Saigon-Java charters were made at 20 cents per picul, which rate, however, would not have been accepted by the owners without a

sugar freight in return. For the rest of the month rates did not advance, notwithstanding that a strong demand for tonnage had put in an appearance and it was solely attributable to the scarcity of vessels and the extreme difficulty that owners were experiencing in making both ends meet, that numerous inquiries especially emanating from the North, could not be filled locally. On the Saigon to Hongkong market there was still next to nothing doing, the prospect of putting a vessel on the berth being so poor that some regular liners were compelled to look for employment elsewhere. Towards the end of the month the offering of freights was a little more free from Saigon owing to the Kwangtung rice crops having suffered badly from floods. Charters were fixed up at not very satisfactory rates—two for the Philippines business, one for Java sugar, and a few for the Newchwang-Canton trade. Coal tonnage was practically unprocurable.

A CASUALTY.

In reviewing this month's shipping, we regret to have to report the total loss of the well known coaster Norwegian I. S. Ryman which went ashore on Money Island—Paracels—on a voyage from Singapore to Hongkong, loaded with a cargo of timber for Shanghai. The ship was abandoned by the crew, evidently owing to her dangerous position. Upon receipt of the news, the Danish salvage vessel Protector was despatched to the scene of the wreck, and after taking due observation as to the possibility of refloating her, it was concluded to start operations. However before there was an opportunity of putting into operation the scheme, bad weather set in and the Ryman was lifted by a heavy swell and foundered.

NOVEMBER MARKET FIRM.

For the first half of November, freights continued to rule firm and a very much larger business would have been done but for the difficulty to meet inquiries. Tonnage remained very scarce and, especially as regards time-charter business, went charterers offered such low rates that it was difficult to conclude fixtures. The demand for bottoms from the Southern rice ports had remained exceedingly slack, Saigon still standing at 8 cents. Northern business continued very firm and prospects for the near future were regarded as good. Tonnage for coal freight from Moji remained exceedingly scarce. As the month advanced, matters did not much improve. There were no actual charters for the Saigon-Hongkong trade, the liners scraping together what they could get at 8 cents. For the Saigon-Philippines run tonnage to suit charterers was difficult to obtain, only two steamers being placed at 23½ cents per picul. Reports from the North concerning freights described a weakness of rates, and notwithstanding the demand for tonnage the rise of freight rates has not been maintained. At the end of November no demand for tonnage for Yangtze loading for the South had yet come into the market. As regards coal freights fixtures had been more numerous, but tonnage, especially of big carriers remained scarce during the

FIRST HALF OF DECEMBER
the volume of business transacted was on about the same scale as in the preceding fortnight, with rates slightly better in some instances. At the middle of the month there was still a certain scarcity of tonnage felt and a good many inquiries for freight remained unanswered. Against all expectations Saigon again came to the front with inquiries for prompt loading. This may be accounted for by the rice crop coming earlier than was expected, thus making millers desirous of getting rid of their old stock as soon as possible, as well as to the fact that the rice crops of the Canton River valley had been seriously damaged by the floods. The regular liners being unable to deal with all the trade rates jumped from 9 to 14 cents, but even at that rate no tonnage was procurable, as the price is not payable for a vessel which has to go to the port of loading in ballast. The lower price of grain led to several fixtures at fairly good rates from Saigon to Singapore. After the closing of Newchwang, importers of beans have had to succumb to take up two boats from Dalny and Chefoo to Canton—one at 25 cents and the other at 26 cents per picul. Concerning Yangtze freights a few charters have also been arranged in Shanghai from Wuhu to Canton and Chinkiang at liners' terms.

During the last half of December a slight improvement took place in the freight market; so far as Southern trade was concerned, where, as reports from the North were to the effect, that the market there was in a

STATE OF STAGNATION
For the Saigon-Hongkong trade the sudden demand for tonnage led to several fixtures ranging from 13 to 14½ cents per picul. Further tonnage was not placeable afterwards on account of the depressed state of the local rice market, and the exorbitant prices demanded for the old crop, which was reported to be almost exhausted. However, the prospects of the new crop were reported to be exceedingly favourable and the output may be looked forward to as a very fair average. Dalny and Chefoo to Canton had two fixtures at the rate of 26 cents. Tonnage for coal from Moji to Hongkong was almost unobtainable. As regards time-charters, local Chinese in the belief that a firmer tone will prevail in the Spring took up two vessels—the *Uls* and the *Phu*—for forward delivery at terms which have not been disclosed. Time-charters, which brokers generally regard as a barometer by which the freight market can best be gauged, was limited to a few steamers only, but there is a general optimistic tone in shipping circles regarding the year which we enter upon to-morrow.

FREIGHT PROSPECTS FOR 1901.

The prospects of the freight market for the incoming year are distinctly promising, owners and agents looking forward to the next twelvemonth with an equanimity which they were not able to assume at the beginning of the year 1900. Several charters have already been secured for 1901, as far forward as April-May, and contracts have been also placed by some of the large firms, including Messrs. Jardine, Matheson & Co., Messrs. Samuel, Samuel & Co., and the East Asiatic Co.; whilst, as regards the coast

trade, a fair index may be gathered from the fact that the Peninsular and Oriental S. N. Co. are already full up of cargo for the first four months of the year both for their regular fortnightly mail steamers and for the intermediate carriers with capacities ranging from 8,000 to 10,000 tons. So far as the Pacific trade is concerned, a decided upward tendency and a good year is confidently anticipated by owners. The coasting trade, which has undergone many vicissitudes in the course of 1909, has fairly stiffened towards the end of the year, and all classes of tonnage have been asked for without charterers and owners coming to terms. But outside of that, several fixtures have been concluded on time-charter. The rice crop reports from Saigon and Bangkok are very favourable indeed, and the imports of this staple from Siam and Indo-China as well as from Japan is almost certain to exceed the imports from the rice countries of last year on account of the havoc which has damaged the Canton crop to the estimated extent of 40 per cent. In view of the improved prospects several charters have been done and inquiries are so numerous that the condition of the freight market may be safely said to point to a good year for owners and agents and to a full occupation of the coasting fleets which had been, so to speak, sitting their heads off for the best part of 1909 or else running cargoes at rates ranging just below the irreducible minimum.

FROM THE NORTH
come reports that the rice harvest is exceptionally bounteous and great quantities of the staple commodity are expected to be shipped from the Yangtze ports in the early part of the Spring. This points directly to a considerable number of outside steamers being once more in request at good rates for southern shipments. It has to be admitted, however, that all this is in the future. At the present moment the freight market is at a standstill practically, but a very substantial rush, gratifying both to owners and charterers, may be expected in the opening months of the New Year, as the supply and demand in the shipping market is on a souder basis than it was a year ago and very much souder than it was two years ago. As regards the

DEAN AND DEAN-CAKE TRADE
from Manchuria and Vladivostok the exports during the past year have been phenomenally large and there is every reason to hope that this business will be well maintained in the incoming year, for the harvest has been entirely favourable and large carriers will be much in demand. This means practically a stiffening of rates for homeward business, as there are not sufficient steamers of huge capacity in the local market to meet the demand, owners at home have a distinct disinclination to send out such vessels in ballast or only part-filled with cargo although homeward cargoes are an assured fact. The only disconcerting note in the bean trade, so far as the local market is concerned, is that practically the whole of the Manchurian crop has been secured by home buyers, who have offered and had accepted prices which local buyers would consider to be unremunerative, but while this means that smaller carriers will be less in demand for the coast trade from Newchwang and Vladivostok southwards the balance of tonnage should be well maintained by reason of the fact that the more favourable rates which are expected to rule for large carriers will cause certain withdrawals from other trade routes which vessels of smaller capacity can easily fill. For the Newchwang business, several fixtures have already been made as far forward as April-May at an average price of 28.6d. per ton, which rate leaves a very fair profit for owners. Other charters have been concluded for February-March-April delivery, which, in the general opinion, points to a good year to follow. On the whole, therefore, the bean trade is anxious, in view of the present scarcity of tonnage, to secure forward steamers in order to fill contracts which have already been concluded and which must be met at the date specified, so that the freight market should prove sound not only in the early part of the coming year but throughout the twelvemonth as well.

OPIMUM
The closing few days of the year 1908 looked as if it augured well for the trade in opium during 1909, as, after weeks of inactivity, market assumed some life and a fair business was done. Prices continued to improve and the highest rate touched was \$1.15 for new Patna, and \$1.07 for new Benares. However, these prices could not be maintained as the unexpected rise in Exchange made dealers cautious. Another disturbing factor was the accumulating stock and this, combined with the rumour that

THE FEDERATED MALAY STATES
were going to increase the duty on opium imported, the market looked again into an inactive state. America at this time also stopped the importation of opium into the United States. Market in consequence became lifeless. Small sales were made in the middle of the month at \$1.10 for new Patna, \$1.05 for new Benares. February opened with

A QUIET MARKET
at the early part of the month, but towards the middle, owing to the lessening of Chinese holdings, a fair quantity was purchased at \$1.05 for new Patna and \$1.05 for new Benares. But at the end of the month, a full took place which deepened into March and prices continued

TUMBLING DOWN
The prospects began to look gloomy and rates touched \$3.55 to \$4.00 for new Patna and \$3.50 to \$4.00 for new Benares and business was done only for requirements. During the first few weeks in April market was in a

LANQUISHING STATE
a sport now and then took place, and ultimately prices fell to their lowest point, viz. \$3.20 for new Patna and \$3.15 for new Benares. At the end of the month market appeared to liven up and prices advanced to \$3.70 for new Patna and \$3.65 for new Benares. Rumours at this time began to circulate regarding the reduction of the Chinese cultivation of the poppy, and so the native crop advanced in prices.

THE HEALTHY TONE
at the end of April was maintained for some time in May and rates advanced to \$1.10 for Patna and \$1.05 for new Benares, and a fair amount of business was done. The rise continued and at the close of the month rates touched \$1.10 for new Patna—a rise of over \$1.00—but immediately after a sharp reaction followed and the market again receded and the month closed with \$1.05 for new Patna and Benares at \$1.05.

RESTRICTIONS IN CANTON
It was about this time of the year that the Canton authorities began to be rather insistent in enforcing their restrictive regulations to suppress opium dealing and smoking. In the early part of June somewhat violent fluctuations took place, but it subsided immediately afterwards and the market became dull and rates declined to \$1.00 for new Patna and \$1.00 for new Benares. It continued its decline and the month closed with \$0.95 for Patna and \$1.00 for Benares.

A fair business was done in the first few days of July, but it slackened owing to the decline in India, and in sympathy with local rates dropped to \$0.90 for Patna and for Benares \$0.90 was the nominal quotation. A reaction, however, followed later on when a demand set in and rates resumed an upward tendency. The month closed with \$0.97 for Patna and \$0.97 for Benares.

In the beginning of August an unusual activity was noticed in the market, owing to the high prices fetched at the auction sale in India. A moderate business was done at \$0.95 for Patna and \$1.00 for Benares. Rates advanced higher later on, in sympathy with the rise in Shanghai, to \$1.00 for Patna and \$1.00 for Benares. The restrictive regulations in Canton, the enforcement of which began in August, assumed

A MORE VIOLENT PHASE
in September, and the Provincial authorities, to demonstrate more forcibly their determination in pursuing the anti-opium movement, arrested a Chinese dealer and to enforce obedience to their orders imprisoned him. This action on the part of the Canton authorities aroused the indignation of the local dealers who, as an emphatic protest against the action of the authorities, suspended direct business with Hongkong pending the release of the native dealer. After a couple months' imprisonment and upon the payment of the fine the man secured his release.

BRITISH REPRESENTATIONS
In the meantime consumers could not do without the drug and importers in Canton, accordingly, devised the scheme for "saving face" with the officials, by obtaining all their requirements by way of the West River ports. This roundabout method, though entailing a slightly higher cost in transit, had the effect of removing the deadlock which for a time paralysed trade with Hongkong, leading to a formal protest being lodged with H. M. Consul-General at Canton, through the Hongkong General Chamber of Commerce, by whom representations were addressed to His Excellency the Viceroy.

A WELCOME DEMAND
for opium arose from a quarter least expected. Sakots, at this stage, poured in orders into Hongkong and importers felt but too eager to unload part of their stock at steadily advancing prices at a time when the Canton market forbade such gloomy anticipations, which, fortunately for the trade, never materialised.

EXCITEMENT IN SHANGHAI
While market was in a state of incipient agitation in the South, Shanghai also showed signs of an unusual activity and dealers here, following the lead, rushed up prices to \$1.05 for new Patna. This continued on into October, when, owing to a further advance in the China opium, a strong feeling set in for a demand and prices consequently jumped up enormous. By so much so that at the close of the month, new Patna fetched \$1.35 and new Benares \$1.30. The excitement became feverish early in the first week of November and a scramble was made for the Indian drug as the native article enhanced in value and the unprecedented record, with the exception of the price fetched at the time of the Taping rebellion—\$2.00 per chest—was established with the highest price for new Patna at \$1.65 and new Benares \$1.50. The advancing prices of the native drug, which was attributed to the reported considerable reduction of its cultivation in the northern and western provinces, stimulated dealers to lay in a good stock of the foreign drug for replacement in the above provinces. It was more or less a speculative operation.

than the needs of the moment, hence prices took such a high flight. But eventually, as usually, when there were no buyers, the market collapsed, as there was no authentic report to substantiate the news of such a considerable reduction as it was at first surmised. Prices in the middle of the month fell back to \$1.40 for new Patna and \$1.40 at the end of November, which was a normal price. However, in December, after a quiet term when nothing was doing, a reaction set in for immediate requirement and quotations were established at \$1.45 for new Patna and \$1.40 for new Benares. During the last few days of December, some business was put through at enhanced rates.

The lowest price recorded for new Patna was \$1.20 and the highest \$1.65. During the closing week of the year the market has exhibited considerable strength and firmness. Rising by 5s a day quotations close, as we go to press, at \$1.44 for new Patna and \$1.45 for new Benares. The tendency is towards higher values.

THE YEAR'S SALES
The turn over for 1909 has been profitable alike to importers and dealers. Sales during the twelvemonth were effected to the extent of 16,800 chests Benares and about 3,000 chests Malwa. The average price for the former must have ranged between \$1.35 and \$1.40 per chest, while the latter commanded about \$1.50 per chest. In this review Panjin opium has not been included into its category, since it was almost wholly bought by the Japanese

Government for Formosa, and for all practical purposes may be left out of calculation in the computation of the opium trade for Hongkong. Taking as a whole, the authority we consulted estimates the value of the trade in 1909 in opium at between \$30,000,000 and \$35,000,000.

PROSPECT FOR THE NEW YEAR
For the year 1910, the prospect of the foreign opium trade will entirely depend on the movements of the Chinese authorities as regards the decrease in their cultivation, for in the reduction of the acreage, price will further advance more and more proportionately and it is only natural that the foreign drug will follow in its wake. The year 1910 finds the Government of India still going on with their reduction of 300 chests per month and also in this year they will decide as to the quantity to be reduced for the following three years.

THE YARN TRADE
To Mr. P. Eduljee, yarn broker, we are indebted for the subjoined brief summary of the Indian yarn trade during the last twelve months.

Imports amount to 277,108 bales as against 210,775 last year, showing an increase of 16,821 bales, while sales aggregate 138,591 bales, as against 151,243 in 1908, showing a decrease of 12,652 bales. This decrease may be partly attributed to the absence of any material demand during the last two months, owing to very high prices demanded by holders and partly to the increasing competition of Japanese and Chinese yarn, as also of Japanese cheap cloth in the consuming districts.

The year opened with a very slack demand and only a paltry business was effected in January, almost the whole of the month being taken up with the settlement of accounts and the festivities of the China New Year. On resumption of business in February considerable settlements were made, and with occasional assistance from Shanghai the inquiry continued more or less active till the end of March when prices showed an appreciation of \$1 to \$7 per bale, and nearly 3,000 bales passed into consumption, exchange on India fluctuating between Rs. 130 and Rs. 132. During the greater part of April the market remained quiet, but at the end of the month another brisk demand from the country set in lasting with little intermission till the end of June, resulting in a further advance of \$1 to \$3 per bale in prices and sales of over 35,000 bales. Under ordinary circumstances sales and prices would have shown a considerable increase but for the sharp rise in silver during May and June, which not only curtailed business but checked the upward tendency of the market. In July the rising tendency in exchange gave place to a weaker tone and simultaneous rumours of a short cotton crop in America encouraged dealers to re-appear in the market in great force. Buying was now resumed with more or less vigour throughout July and the greater part of August, when exchange showed signs of an advance and a temporary depression was caused in the market, lasting throughout September. On the whole, however, the third quarter came to a close with a satisfactory experience, the gain in values amounting in some instances to \$5 per bale, over 40,000 bales changing hands, while profits ahead appeared encouraging. October set in with a strong general inquiry consequent on the violent fluctuations in the American cotton, and about 25,000 bales changed hands, prices showing a further advance of \$1 to \$3 per bale. Business during the last two months has dwindled into a minimum, owing to almost prohibitory prices now ruling, and the year closes almost lifeless with a meagre stock of 14,000 bales to be carried forward.

In the beginning of the year best No. 10s. were sold at \$109 and No. 20s. at \$130. They are now quoted at \$126 and \$145, respectively, exchange on India fluctuating between Rs. 128 and Rs. 131 throughout the greater part of the year. Although sales during the year show no improvement over those of the previous twelve months, the trade as a whole, so far as Hongkong is concerned, has been remunerative. With cheap cotton, staid silver, and incessant rise of prices throughout the greater part of the year, more than covering prices have been obtained, and if invoice costs are any guide to results the profits are more or less considerable and commensurate with the extent and volume of the transactions.

Our native dealers have not fared badly. Prices have been steadily rising throughout the greater part of the year and the country demand has been responsive. On June 30th, 1908, there were in all India 241 mills working and in course of construction, of which Bombay alone claimed 86, running 2,736,181 spindles and 35,667 looms, employing 1,017,436 hands daily.

RAW SUGAR
The sugar merchants of Hongkong have every reason to congratulate themselves upon the operation of the sugar market during the year 1909. The market has remained firm throughout, the twelvemonth and a rich harvest of profit has been reaped by most of the operators. From all sources, the amount of raw sugar imported is calculated in round figures at well over 3,500,000 piculs, valued roughly at \$25,000,000. Of our two great sugar refineries in Hongkong, Messrs. Butterfield and Swire's establishment at Quarry Bay has been in full swing with mills averaging 6,000 piculs, whilst Messrs. Jardine, Matheson & Co.'s sugar-house has been taxed to its utmost output of 3,750 piculs, and it is expected that their superannuated sugar-house at Bowling, which has been closed down for some three years, will be in working order again early in the incoming year, bringing the output of refined sugar by this Company up to a possible 6,000 piculs. The most important feature in the sugar trade of 1909 has been the passing of the Payne Bill in the United States. This enactment had led to the stopping of the supply of sugar from the Philippines, for when the new law came into force American speculators bought up all the available stocks in the islands at high prices, and so far as future crops are concerned they will likely find a similar destiny.

tion, so that China must rely upon Java more than ever for her raw sugar supply. It is too early yet to speak of the prospects—good or bad—of the 1910 crop in the Dutch islands, as it will not come on until about May, but whatever happens there is every likelihood of a maintenance of that firm position which characterises the market at present. If a bad harvest should result the half million piculs of raw material held up in Hongkong godowns will be much appreciated in value, but on the other hand a full harvest will cause a slight slackening of the market without impairing its solidity. There is no stock of refined sugar held up in the Colony, as the demand from India, China, Shanghai and the Yangtze ports absorbs all the available supply. To hark back for a moment to the Payne Bill, it is worthy of note that before this became law Hongkong imported about 50,000 piculs annually from the Philippine Islands, but no anxiety is felt in merchant circles about the ability of the Dutch possessions to supply the deficiency. In a review of the sugar market, beet sugar has no place and may be left out of account, as the growers of this product cannot compete with the local cane-sugar, and the crops from Germany, Austria and Russia find a more or less lucrative market in Europe and America. The quality of the sugar imported from Java is of Nos. 13 and 14 Dutch standard and is of an average price of \$8.50 per picul. Of the estimated 24 million piculs of raw sugar imported into the Colony, about two million piculs were absorbed by the two local refineries whilst the remainder some was re-exported to the North and the rest was melted down locally for the fruit and ginger preserve trade.

RICE
In bulk, the rice trade between Hongkong and Bangkok and the French ports of Haiphong and Saigon has been much the same as in the year preceding the present. In 1908 Siamese rice imported aggregated some \$22,000,000. This year the leading rice merchants calculate that from all sources the imports of rice have amounted to about \$25,000,000. During the year the Bangkok trade has suffered on account of the low exchange, the local standing now at 90 cents as against 60 cents in the early part of the year. But while the Bangkok rice millers suffer, the Hongkong dealers have been making good money. From both Saigon and Bangkok the reports regarding the new crop are very favourable indeed. From the Canton River valley, on the other hand, we regret to have received reports of disastrous floods and typhoons, resulting in the destruction of 40 per cent. of the crop, so that the rice shipments from the South are bound to be bigger than ever this year. On the whole, the market has held up very well during the year 1909, and prospects for 1910 are generally regarded as being extremely favourable.

WHEAT
To all appearances the high water mark in the flour trade was attained in 1907, if the figures for the two following years in succession can be accepted as any criterion whereby to judge the ebb and flow of the trade in this commodity with Hongkong as the distributing centre. With a falling off in importations in 1909 amounting to 91,000 bags as compared with 1908 and 1,227,010 as compared with 1907, showing, respectively, declines in imports of 22.41 per cent. and 35.31 per cent. Hongkong, it would appear is losing much ground in this particular branch of trade. Tabulating the three-yearly statistics we arrive at the following:

Years.	Receipts in Hongkong.
1907	4,400,000 bags.
1908	4,026,000 "
1909	3,170,000 "

From the above it will be seen at a glance that the shortage as against 1907 is, as already stated, 91,000 bags, as compared with the figures for the preceding year. Questioned as to the contributory factor of this enormous disparity, the leading authority in Hongkong on the subject of flour from the Pacific Slope, to whom we owe our obligations for our facts and figures, explained that it was almost entirely due to the invasion of Chinese territory by the products of the Shanghai mills. It is the territory South of Shanghai, i.e., Canton, Swatow, Amoy and Foochow, that is wholly concerned.

TRIBUTARY TO HONGKONG
In former years all these ports were, commercially speaking, tributary to Hongkong, that is to say, that they drew their supplies of flour from the warehouses in the Colony. But the low price of silver and the high price of American wheat and flour has enabled the Shanghai mills to virtually capture the market comprised in the zone within Shanghai in the North and Hongkong in the South. Shipments to Canton alone from Shanghai, for the year, amount for about 300,000 bags. The absorption by the Southern capital of Shanghai-milled flour together with the new outlets provided by the Coast ports mentioned practically made up for the loss in the trade between the United States and Hongkong.

THE FUTURE SHROUD IN UNCERTAINTY
Whether the future will see the new condition of things changed back to the old order depends largely—in fact, almost exclusively—on the European and American wheat markets and the low or high price of silver, always a determining factor in guiding the course of the import trade wherein gold-using countries are concerned. In other words, low silver and high wheat combined means dear flour, rendering prohibitive their extra cost into countries whose inhabitants reckon their prices in silver. The same conditions, however, do not affect the flour business in North China, where the payment of cost of raw material is calculated on the basis of silver values, since the Chinese operatives are paid in the local currency of the country and the wheat growers of Szechow and neighbouring territory part with their grain in consideration for so many taels and cents (Chinese coin).

THE MANCHURIAN MARKET
A perplexing problem arises in connection with the Northern market. It might have been reasonably assumed that Manchuria would have furnished a large consuming outlet for the products of the Shanghai mill-owners, that is, in certain years when the crops vary in Manchuria and Szechow and Yangtze ports, and American flour can gain a footing free of duty into the territory. Such a belief is erroneous, since the duties leviable by the Customs on Chinese-milled flour from the Southern ports, in effect, acts as a prohibitive tax against its admission into Manchuria thus securing for the Russian mills at Harbin a virtual monopoly of the extensive territory around and beyond that radiating point of Russian commercial and political influence in the Province. The policy of

THE "OPEN DOOR"
in Manchuria so loudly proclaimed to the world at large would seem to be in practice only nominally existent, since the tax on flour effectively shuts the door against China herself as represented by the flour of the Shanghai mills.

Indirectly, American flour in small quantities is imported into the Shanghai and the Southern territory from the necessity which the consumers have to meet for mixing their flour with the American staple. Flour made in Shanghai is according to expert opinion, a trifle damp and dark in colour and therefore requires a drier and superior flour to mix with it in order to reach the grade requisite for kneading into good bread. The Southern Chinese, having been once used to bread-stuff of a superior quality, mill-owners have to consider their idiosyncrasies if they would retain the valuable clientele provided by the Treaty ports of South China whose good graces Shanghai has succeeded in winning during the year. Much to the credit of the Northern mills they have to fight against the odds of climatic conditions which militate against milling operations and also against the lack of knowledge on the part of native harvesters in handling wheat which they do in the same way as gathering their staple grain—rice. It is the opinion of observers who are competent to express judgment, that the Chinese method of thrashing the wheat after cutting does not tend to improve the grain which does not keep well unless it is put out long in the sun to dry. Besides, Chinese farmers harvest the wheat in a damp condition and naturally it remains damp much to the disadvantage of the millers.

NO AUSTRALIAN IMPORTS
The imports of flour into Hongkong for last year have been practically all from America. Australia, which made such a successful bid for the trade in 1907, following the anti-American boycott by the Chinese, this year did not enter into competition in this market at all, for the good reason that on account of the low rate of exchange ruling Australia was not able to do as much as some other prices, although crops in the Commonwealth have been reported to be uniformly good. They have, no doubt, found the European markets much more profitable wherein to dispose of their products, while American millers sacrificed their profits across the Pacific in order to yield to the dictates of business perspicacity by not losing their hold—if even for a time—on the Oriental market.

COMPENSATING OUTLET
The Colony's flour trade for the year would inevitably have suffered greater contraction in its small volume but for the fact that the Straits Settlements provided the compensating outlet to partially make up for the loss of the markets nearer home in Canton and the Fokkien Province. Singapore and its hinterland have been large buyers of the staple commodity and have absorbed a large percentage of the imports from Pacific coast arriving in Hongkong. While it is true that the Northern market has been cut off from us, the South has come to the rescue and in some measure made up for the loss of the Colony's Northern constituents.

MR. PATTEN'S WHEAT CORNER
During the year the price for flour has not varied much in Hongkong except for the months of July and August when, owing to the wheat "corner" engineered in the United States by Mr. Patten, Chinese dealers were unable to import and had to be satisfied with the heavy stocks they held in the warehouses on the Island. It was a fortunate circumstance that they could fall back upon their earlier purchases, since by drawing upon local supplies merchants were able to meet dealers' demands without having to resort to an increase in price to any material extent. Even though Hongkong is an admittedly big flour market, it is a curious fact that it is not always swayed or follows, as an irrefragable rule, the ups and downs of the American market. Dealers in the Colony often buy in the U.S. market and stock a considerable time ahead and by purchasing at the most favourable times are able to supply the wants in the East without being materially influenced by the operations of "bears" and "bulls" in the great centre of the wheat industry in the Pacific Coast. In fact for the whole of the past year hardly a single period has been known when the Hongkong market has been on an even basis. Before the American harvest of this year, dealers here had contracted with the mills for six months' forward supply, and even at the present moment there is a difference of twenty cents (Max.) per bag between the Hongkong price (in its favour) and the cost of importing the flour assuming that it had to be purchased at the prevailing rate in the existing market on the Pacific Coast.

A YEAR'S PRICES
The average price of flour in Hongkong for the year has been \$3.60 (Max.) per bag; the highest point was reached in August when the quotation was \$3.75 per bag (Hongkong currency), having risen from the minimum quotation of \$1.10 per bag early in the year. Figuring the year's importations of 3,170,000 bags at the average price of \$3.60 per bag, the gross value of Hongkong's flour trade in 1909 is worth \$11,412,000.

Whether the new future will bring about any material difference, it is difficult to hazard a prophecy. Wheat is now high in the United States, but a reaction may set in at any time when prices will again become normal and so enable the American mills to come into the trade again and even to capture the lost ground until this year supplied by way of Hongkong. On the other hand, the trade must face the fact that the American farmer has had the taste of high prices and he is a very difficult customer to beguile with. In the American farmers' day are found the biggest clique of "bulls" operating in the American exchange, and it will be opposed to their interest to see flour quotation at much lower figures.

Another factor to be taken into account in the formulation of an even approximately correct forecast is the absence of any large increase in acreage in the wheat fields of the world, while the demand for flour is increasing from day to day. It is just possible that in the course of time North China may alter the situation altogether by putting large areas under wheat cultivation and so become a wheat producer. The growing demands for bread-stuff all over the world have not ceased to expand as it proved by the fact that the European markets are holding up well in spite of the excellent crop from Argentina and the bumper harvest which Australia is about to gather.

WINES AND SPIRITS
There was nothing very important to record in the wine and spirit trade during the early part of the year which terminated to-day. Business was brisk and merchants were well satisfied with the turn-over that passed through their hands. But a very great change came to pass when the Government decided in August that an import was to be put upon all liquors brought into the Colony. On the 17th September, the Legislative Council passed the Liquors Ordinance which in its original form provided for the following duties:—

	Per Gallon.
Brandy and Liqueurs	\$3.60
Whisky	2.40
Gin, Rum, and other Spirituous Liquors	1.30
Champagne	2.40
All other sparkling wines	1.50
Port, Sherry, Madeira	1.50
Other still wines in bottle	1.20
Other still wines in wood	0.60
All other intoxicating liquors, excepting spirits of wine, and native wines and spirits	0.24

On all native wines and spirits:—
(a) Containing under 20 per cent. of pure alcohol by weight 0.15 || (b) Containing 20 per cent. or over and under 40 per cent. of pure alcohol by weight | 0.40 |
| (c) Containing 40 per cent. or over of pure alcohol by weight | 1.20 |
| Spirits of wine and arrack | 3.00 |

Since the passing of this Ordinance, the liquor trade has not been as good as it was previously, and the Christmas business has shown a most decided falling-off. In consequence of the heavy duties, the Chinese are not buying so much brandy and other European wines as they used to do, but have fallen back on their native *samsu*, which pay only 2 cents per quart bottle as against 60 cents per quart bottle charged on brandy, or \$7.20 per case. As a result of the

DISPARITY IN THE DUTIES
levied Chinese wines are naturally in greater request by Chinese consumers, and European wines and spirits are looked upon as a thing apart. One or two Chinese shops have given up the liquor business entirely so far as European liquors are concerned, as they have been unable to see their way to pay \$1.00 licence in view of the diminished demand for European liquors. In consequence, the *samsu* dealers are doing increased business. Spirits of wine—on which a duty of \$1.60 per gallon is levied—are largely exported free of duty to Canton, where these spirits are employed to a great extent in the blending of Chinese wines, and afterwards re-imported into Hongkong at the reduced rate mentioned above. As anyone can see at a glance, this practice virtually defeats the Government's intention of preventing spirits of wine escaping duty before being blended with Chinese wines. Only the other day, a seizure was made by the Revenue officers of about 200 jars, labelled Chinese wine but containing nothing but spirits of wine. From purely a

HEALTHY POINT OF VIEW
It is a mistake to think that *samsu* is a more wholesome liquor for the Chinese than what European wines are. The latter as a rule are devoid of toxic impurities, and with the exception of some cheap foreign brandies and whiskies, are not put on the market until reasonably matured, whereas Chinese *samsu* is offered for sale and consumption immediately after coming from the still, and is contaminated with toxic aldehydes, or, in other words, fit for all. If the Government could see its way to make a reduction of the brandy duty to the same level as whisky—viz., \$4.80 per case—there might count upon an increased consumption and a consequent enhancement of the revenue derived under the Liquors Ordinance. While the Chinese spirit consumer finds solace in resorting again to his native *samsu*, there is no such refuge for the European consumer, upon whose head falls the brunt of the enhanced taxation, and as it is a pitiable fact that the poor man is the biggest consumer the levies on liquors strike hardest of all on the class who are least able to bear it. It is, of course, too early yet to form a definite opinion regarding the effect of the new conditions which have arisen since the passing into law of the Liquors Ordinance, but it is within the province of this review to discuss the "pros and cons" of the introduction of a

REVENUE STAFF
into what has hitherto been a free port with the probability that at some future day a new Governor may follow up the precedent set by the Liquors Ordinance and put a tax on tea, tobacco or other items. On the

whole, however, the wine merchants of the Colony do not consider the outlook at all encouraging. If the Liquors Ordinance has come to stay, the public will have to grin and bear it, but it may not be out of place to suggest here that it is capable of being amended to some advantage. Under the present regime rebates are being given to the naval and military canteens and messes, whilst exemption has been granted for wines supplied for the use of vessels sailing out of the port and also export. All this necessarily entails a great deal of work both for the wine merchants and for the Export and Import Department. Why not adopt the system that prevails in Britain and the other British Colonies, where an import duty is levied on all liquors and rebates given for canteens, messes, ships' stores and export?

THE COAL MARKET.

The report compiled by Messrs. Hughes and Hough, whose courtesy in furnishing us with a copy we acknowledge with thanks, states that there has been only very little change between this year and 1908 in the Coal Market, the prices ruling slightly lower. Contracts made for 1910 show lower rates than those for 1909 and all the principal consumers have had all their requirements for the coming year provided for. The following is a general review for the year.

JAPANESE COALS.

About 925,000 tons arrived here during the year under review, this being about 75,000 tons more than the previous year. The Mitsui Bussan Kaisha, as in previous years, takes the lead, their importations amounting to about 500,000 tons, out of which 75,000 tons went to Canton. The Mitsui Bishi Goshi Kaisha continue to rank second, their total arrivals during the year reaching 125,000 tons. The balance is distributed among different coal importers, the most important of whom are Messrs. Bradley & Co. and Messrs. Ataka & Co.

CARDIFF COALS AND PATENT FUEL.

The quantity that reached the Colony aggregates about 48,000 tons, out of which the Admiralty had some 20,000 tons discharged here and some 15,000 tons passed through bound North. Several small arrivals, amounting in all to 5,000 tons, went into the hands of the local dealers. Some 12,000 tons passed through Hongkong bound for Vladivostok and for Japan.

AUSTRALIAN COALS.

About 46,500 tons arrived during the year of which was for consumers. The demand for this coal locally has considerably fallen off. The strike at Wairarapa in the latter part of the year did not at all affect this market. As per telegram received during the month the strike has now ended.

KAIPING COAL.

During the year under review, The Chinese Engineering and Mining Co., Ltd., opened a branch office in this port and imported some 52,000 tons, out of which 21,000 tons went to Canton.

HONGKONG COAL.

There arrived about 85,000 tons, half of which was for Canton, the balance for local industries.

PULO LAUT.

Five steamers with about 18,000 tons arrived during the year and found ready Chinese buyers.

LABUAN COAL.

Only one vessel with about 3,000 tons arrived during the year and the coal does not find ready buyers.

SEBASTIA COAL.

Three steamers with about 6,000 tons reached this port and the coal found ready buyers. These were used for trials and the reports given seem favourable.

DAIKEN COAL.

Some 17,500 tons arrived during the second half of the year and most of same went to Canton.

SUNDRIES.

Four steamers with 7,700 tons Tourane coal reached here on their way to Canton, about 8,600 tons of Haiphong coal also passed through for Canton and some 6,300 tons also reached here from Keboan, half of which went to Canton and half bound North.

PETROLEUM.

During the year which has just closed the petroleum market has remained in what may be described as a normal state as compared with the state which ruled in 1908 and very much similar quotations have been booked. The Standard Oil Company, who, of course, remain the staple suppliers of the local market have no advance to report and the average sale rate continued to stand at about \$3.40 or roughly 10 to 15 per cent better than last year's figures, whereas a solid market is anticipated in 1910 although rates may not reach such a high level as they have touched in recent years when the stock has reached as high a rate as \$6 per case. On the whole, however, the tendency is considered to be upwards in the same manner as all the China trade continues to improve generally, so that we may look for an all-round solidity as far as the coming year is concerned.

LANDED ESTATES.

On the whole the property market has shown a marked improvement since last China New Year. In Wing Lok Street and Bonham Strand some properties have been sold at an appreciation of from 30 to 40 per cent, as compared with the prices ruling in 1908. There has not been much business done on the whole but what sales have taken place have been on a very much more satisfactory basis than was the case twelve months ago. On the Kowloon side numerous transactions have been carried out mostly by non-Chinese, and it is a matter of common knowledge that the Chinese are just awaiting developments which are sure to ensue upon the opening of the Kowloon-Canton railway and which must have a very appreciable bearing on the landed property on the other side of the Harbour. This activity in the direction of the Kowloon has naturally led to an enhancement of values in the island of Hongkong itself. A good deal of interested curiosity is felt regarding the ultimate fate of

the old Post Office and Law Courts sites in Queen's Road, when the

NEW POST OFFICE AND LAW COURTS. shall have been completed, but it is considered to be more than probable that the Government will put these valuable central spaces up to public auction and that they will realize on sale a very high figure owing to the admirable stance they will make for shops and offices. There was some talk of the vacant spaces being devoted to the purposes of a Central Police Station and Magistrate, but that this will come to pass is a very remote probability considering the strained exchequer of the local Government and the retrenchment reforms which have been recently set on foot in the Police, as well as in other Departments. However, it will be two years or so before we have the new Post Office and the Law Courts in working order, and many things unlooked for may transpire in the interval. Quite a lot of inquiries have been made for ground for villas in British Kowloon and sales have been concluded at much higher rates than were quoted last year. Ground for the railway has been resumed by the Government at a rate of \$2.75 at Tsimshatsui whilst adjacent ground to the terminus is now being alienated upon prior to its resumption by Government also.

IN YAUMATEI.

properties have changed hands but not at any appreciable advance on the prices obtaining in 1908. A feature of the market during 1909 has been the number of investments made by Chinese from Australia and San Francisco. These investors have been very active in speculation in landed property at the prevailing low terms with a view to an enhancement such as the state of the Colony's trade would seem to justify. There has been all throughout the year a very fair inquiry for properties in well situated parts of the city, such as Bonham Strand, Jervois Street, Wing Lok Street, Des Voeux Road, Connaught Road and Queen's Road—all of which points to the fact that investors—especially the Chinese—are of opinion that prices in the landed estate market have touched

LOW-WATER MARK.

Recently, the property known as No. 80 Bonham Strand was sold by auction to Mr. Leung Kwan-sang for Mr. Wo On Cheung for \$10,000 after spirited bidding. No. 6 Bonham Strand, on the same sale-day, was knocked down to Mr. Chuen Hing for \$14,600, whilst No. 384 Shanghai Street on the Kowloon side was sold for \$3,000 to Mr. Un Kam Wal. No. 52 Connaught Road West and No. 1 Des Voeux Road West went to Mr. Chan Shek Shan for \$17,100.

On the upper levels in Hongkong Island Mr. A. Denison's residence in Conduit Road was sold, it is understood, for the sum of \$37,000. Another residence in the same district—viz., "Lea Cottage" in Seymour Road—was put up to auction by order of the mortgagee and, curiously enough, it was bought back by the first vendor, Dr. A. S. Gomes, at one-third the price at which he had originally sold it. In the case of the "Newlands" Estate, it was sold by order of the mortgagee, and was acquired at the price of \$45,000 by Mr. H. N. Mody who since the purchase has applied to the Government for a very considerable extension in the Conduit Road direction, whereby a very fine approach is provided, nicely turned and planted with palms and tropical shrubs. Almost the only other transaction worthy of note was the sale of one lot of Crown land, comprising sea-bed and foreshore, at To-kwa-wan, for which there was no competition and which was sold for \$15,830—a very small advance on the upset price.

One feature of the value of landed estate must not be lost sight of, and that is, that in almost all survey reports, drawn up on behalf of mortgagees, properties of the Chinese description have been re-valued at from twenty to thirty per cent below the figures at which they were previously assessed.

On the whole, however, it has to be recorded that prospects in the landed property market are distinctly making for the better. Inquiries for villa sites on the Jubilee Road are frequently made, and once the new low level road is completed round the island there is every likelihood that this demand will increase still more. Meanwhile the opinion of the leading brokers is that a very favourable business may be looked for in the New Year and that the market will participate in the upward tendency which is already recognisable in all branches of the Colony's trade.

RUBBER.

That Hongkong investors have been carried away in the forefront of the rubber boom is only too apparent if one scans carefully the rubber share market. But should our local investors seek for any consolation in their eager plunging into rubber shares they will find at any rate a certain consolation in the fact that they are in good company, for both the London and New York markets are still on a sound basis although prices have steadily downwards considerably, whilst in Singapore and Penang, where the pulse of the market is most distinctly observable, large jobbers and small are placing contracts for forward crops at a figure—well up to 75 per lb.—that points to a protraction of the favourable rates during the next two years, notwithstanding the fact that a temporary depression, however, does not necessarily mean that investors in the rubber industry need have any cause for alarm and the advice given by those persons who are intimately connected with the trade is to hold on even tighter than when rubber fell to rock-bottom prices twelve months ago. That it will go as low again is very far from probable, for the enhanced rates prevailing have made the export of wild rubber from Brazil payable, and to this cause is due largely the decline of the market to a more normal and substantial status. It is a well-known fact that the

BRAZILIAN TAXES.

on rubber exports are exceedingly vexatious and the collection of the staple itself from the

Amazon forests is very expensive, so that unless, under conditions, improve, the South American as well as the Congo Valley article can only be put on the market when prices are high—which, consideration, points more and more in the direction of the rubber market having to look forward for the bulk of its rubber supply in the future to the Malay States, Ceylon, and Siam. There the conditions are entirely favourable to the rubber-grower and as is mentioned elsewhere, investors now have a sense of safety in the fact that the Malay States have been solidly confederated, with the addition of the three great Siam States of Kedah, Tringganu and Kelantan—all of which are now comprised in British Malaya, whereas Johore State, which contains fine rubber country and includes amongst its planters the Pears Brothers' of soap fame whose crops have secured top prices on the London market, is practically under British protection, so that from Singapore Island to the borders of Siam, the whole peninsula may be safely said to have been merged into the British Empire. Before this came to pass there was a

NATURAL NERVOUSNESS.

on the part of investors to go in for rubber enterprises in the four States above mentioned by reason of the fact that the uncertainty of the governmental regime made them uneasy, but, happily, all this has passed away and money placed in the Malay Peninsula trade is as secure as though it were devoted to any solid concern at home.

On the other hand, so far as the getting of a fair profit on money invested goes, it behoves Hongkong investors to walk warily. Rubber stock has been so much watered in consequence of the boom which has occurred in 1909 that it has almost ceased from being a more payable speculation than the other solid industries of the Colony, which industries have naturally suffered in the market owing to the great amount of available cash tied up in rubber scrip. This has led to what might be described as a starving of our local industries, which, though they may be sound investments, suffer from the

FEVERISH STATE.

of the rubber market. Should such a slump in rubber recur as that which occurred in January last, it will spell disaster, but, whilst it is impossible to prophesy with any degree of verity, expert opinion is that the market will hold firm generally for the next two years. There is always the danger, too, from the investor's point of view, that synthetic rubber will be produced before long. Certainly some of the most acute brains in Europe and the United States are actively searching for a substitute for the natural product, the demand for which is growing every day for the various industries where its employment is indispensable, but it remains a solid fact that the supply and demand point to a very good market for the incoming year, whilst rubber is entering more largely into other industries both in Europe and America, and so far nothing can be shown as a sign that there will be a synthetic rubber put on the market in competition with Para rubber although some of the best brains in the United States and the Continent of Europe are actively engaged in the direction of the creation of a material to take the place of rubber at a cheaper rate than the actual product fetches. During the depression which came to a head about a year ago and had then existed for another year before that, rubber-growers of Ceylon and the Malay States cut down expenses to the lowest possible limit and this had a healthy effect on the industry which had been considered to be fairly free from any danger of surplus stock being got rid of hastily. As it happened, the growers were reckoning without their host. As regards the rubber market since the acquisition by Great Britain of the three great Siam States of Kedah, Tringganu and Kelantan which have now been incorporated in British Malaya investors have an increased and very justifiable security in putting their money into the industries of the Peninsula. The sudden rise of rubber in the year that closes to-day was nothing less than

PHENOMENAL.

At the end of 1908 it was offered at 48 6d. per lb. first-class quality, and that was by no means rock-bottom price, for it afterwards fell away to as low as 34 6d. per lb. But as the year progressed the market recovered wonderfully owing, no doubt, to stocks being held up in London and New York, with the result that prices stiffened up considerably and when the warehouse material was put on the market it proved utterly inadequate to satisfy the demand. In May first-class rubber was sold at 66 per lb. whilst in October first-class Kalumpung rubber fetched no less than 98 7/8d. per lb. For a while it appeared that market prices would go even higher, but this anticipation did not solidify and the price receded steadily to about 76 6d., whereas it stands to-day. Meanwhile there had been a feverish speculative spirit abroad in the market in Hongkong as well as in other centres, but in the face of a declining market such speculation gradually quieted down and a saner tone prevailed. By those well qualified to gauge the position of things, there is every likelihood that there will be a further fall in the price of this staple in the Spring, but that it will endure for any length of time does not appear to be probable in view of the refusals for forward crops, which have reached as high as 65 1/2d. for the 1911 harvest.

So great is the demand for rubber for the AUTOMOBILE INDUSTRY alone that it is regarded as doubtful if the harvests of wild rubber will increase sufficiently to keep pace with the growing requirements, and the world will naturally have to look to the rubber plantations of Ceylon, the Malay States and Siam more and more to supply the wants of all the trades into which rubber enters as a vital factor. The output for 1909 of automobile tyres is estimated roughly at between \$5,000,000 and \$6,000,000, whilst the estimated output of rubber for 1909 is roughly estimated at between \$90,000,000 and \$100,000,000.

IN THE MALAY STATES AND CEYLON rubber cultivation can be carried on at a rate of expenditure that would be wholly

insufficient to tap the wild trees of the Amazon basin where the Brazilian taxation is so heavy and the expenditure so great that only a very high market price makes the rubber payable. We have heard rubber growers from the Malay States assert that their industry would still be on a payable basis if the market price fell as low as 10 6d. per lb. and certainly 25 per lb. would leave an appreciable profit.

PROSPECTS.

Before the boom began the holders of rubber shares were obviously nervous, but with the improvement of the market this nervousness has not far to seek. It was due in the first place to the fact that the industry was of a kind which the public had never been associated with before and secondly to the fact that they were entirely unable to gauge the future possibilities of this trade. Of course so far as the Malay States were concerned, it was only natural that investors should be backward in launching the various enterprises floated in that peninsula, so long as there was any question at all about the governmental security of the country; but now that British Malaya has become solidly federated and the three great rich provinces of Kedah, Tringganu, and Kelantan have been incorporated in the Federation, investors can afford to place their monies in the Malaya rubber fields without any qualms regarding the security of their investments.

STOCK EXCHANGE.

The year 1909 has been a comparatively better one for share business than its predecessor, although, in spite of expectations to the contrary, it closes with large depreciations in some of our local stocks. The Reserve of Gold in the Bank of England has been depleted, owing to heavy withdrawals to America and Berlin, due to heavy speculation both in the United States and Germany, and the effect has been an enormous rise all through this year in the American Market. In consequence of this, the Bank of England rate of discount has risen accordingly and the high rate of 5% has been reached. This, coupled with the high rate of exchange ruling, operated against the expediency of remitting money back to the Colony, that had been sent to England at advantageous gold rates. Those who were, therefore, prepared to re-invest their capital in gold investments opportunely turned their attention to "Rubbers" with the result that practically all local stocks, for the last six months, were left severely alone. Our local Bank, however, has been doing a fairly good business, and shareholders have benefited greatly in the way of increased dividends. The shares have been continually improving, and never in the history of the Colony have they advanced to such a high figure as that quoted during the course of this year. A few of the principal Marine Insurance stocks have done well during the early part of the year and appreciations in value of their shares have to be noted, but towards the close of the year some of the Companies suffered seriously from bad trade, with consequential heavy depreciations in their market quotations. Fire Insurances have been a quiet market, nothing of any importance occurring until about the latter end of the year, when prices rose steadily and maintained their positions until the close. The slackness in shipping experienced throughout 1908 continued right into the middle of this year, and in consequence shipping shares have suffered materially. Towards the close a brighter prospect is apparent and rates are beginning to recover, especially Indo-China, the price of which shows a decided improvement during the past few weeks. Refineries have absorbed much attention, and closing rates show a considerable advance on prices quoted at the close of 1908. Both Docks and Wharves have suffered a great deal not only in sympathy with the general depression in trade but by reason also of strenuous competition. Hotels and Land shares have appreciated in value. "Rubbers" have monopolised the attention of investors while dabblers have also struck a good thing in them. During the six months of their introduction into the Colony, it can safely be said that over a million and a half of money has been diverted into that direction. The abnormally high price obtained for the raw material has opened out a new field for company promotion and hardly a week passes by without some new company, always oversubscribed, springing into existence both in the Straits and London. A very large business has been transacted in this line, and profits have in some cases been large.

Reviewing the various stocks as they appear in the Stockbrokers' Association list, we find that Hongkong and Shanghai Banks opened with buyers at \$40 at the beginning of the year, and from then onwards a steady advance as the result of firm buying brought the price up to \$1,020, and even as high as \$1,030 was paid for some shares. Towards the beginning of April a slight weakening tendency made itself apparent and the quotation receded to \$995, at which they remained fairly steady during the following five or six months. At the close a further inclination to buy is evident, and after a few small sales at \$995 and \$997, further substantial lots could be placed at the latter rate. Market closes to-day at \$1,000. National Banks have appreciated somewhat, and this is not to be wondered at in view of the very limited number of shares obtainable in the market, and the price of \$95 buyers, at which they close, is purely nominal, as shares are very scarce.

Marine Insurances.—Some stocks under this heading have ruled weak, and a corresponding continued decline in prices has followed their equally unsuccessful year's work. Union Insurance was an exception. With the opening price of \$225, at which they were firm, backed by further reliable buying orders, a steady advance took place throughout the first half of the year, and \$245 was reached early in April. Expectations of an improved dividend helped to maintain the market value and shares were very firm in October, when they were quoted \$247 1/2, divided of \$47, below an advance of \$6 on the previous year's quotation. From this period onwards, they continued to rise and close at \$265 and even small sales

at \$300 were reported. In the last week of the year, however, a slight reaction took place and business was done at \$295 and \$280, with further possible buyers, this check in the upward tendency being probably due to the fire on board the German mail *Prins Lidwig* in Hongkong harbour on the 14th instant when the estimated loss to cargo by fire and water was about a million dollars. Reliable information places the Union Society's proportion of loss at no more than half a lakh of dollars. Shares were wanted to-day at \$300. North China was the medium of only a small business as shares are firmly held and difficult to obtain. From Tis. 104 (the opening price of the year) slight fluctuations, varying from Tis. 5 to Tis. 6 below or above this price have taken place, but they generally close strong with buyers. Yangtzes commenced to show signs of improvement from \$75, and by the end of March the high price of \$125 was freely offered. The stock fairly well maintained its position from then onwards, and comparatively few changes in the rate occurred. Cautions closed rather weak at the termination of last year, and with the opening price at \$95 they soon declined to \$87 1/2. This price was maintained throughout the whole of April, and from then a further downward course was followed, in consequence of the very bad result of the year's working and as low as \$145 has since been accepted, and even at this rate holders are more inclined to sell.

Fire Insurances.—In the two stocks under this heading a decided improvement was to be recorded. China Fires opened with sales at \$106, and with the exception of a slight weakening towards the close of March have proceeded on a firm upward move throughout, closing with inquiries at \$118. Apart from its merits as an investing stock, rumours of the purchase of the Company's stock by another powerful organisation got abroad, which explains holders' disinclination to part with scrips even at the present greatly enhanced price of the stock. The element of speculation is almost wholly removed from these shares which are held by investors for their reliably steady dividends. Hongkong Fires have likewise been a very firm market during the year and from \$325—the opening price—improved steadily to \$345 about the middle of July. Between this month and October an additional rise to the extent of about \$30, is recorded, and during this period a fair business was put through. The stock remained firm up to the end of the latter month when numerous selling orders came into the market with the result that the rate receded to \$370 at which they close weak with an inclination to sell.

Shipping.—In sympathy with bad trade, China and Manila have suffered to a considerable extent, and have declined to about half the opening price of \$14 at the beginning of January. During the first few months of the year a slump occurred and shares went as low as \$5, and even below this price has been accepted. This was the direct result of the very heavy loss the Company sustained in its past year's working. And as is usually the case with stocks of this kind, a reaction soon set in and the price rose again to \$12, but the next few months saw a further decline and now they are out of favour and neglected at \$8. Douglasses have been a very restricted market during the year and only slight fluctuations have to be noted. The price of Hongkong, Canton and Macao Steamboat Co.'s shares was well maintained during the first half of the year but towards the latter period, with many firm inquiries the stock rose to \$33 and at one time shares were taken off the market at over this rate. Towards the end of October an earlier feeling prevailed, and they were largely dealt in at \$31 (ex div.) and slightly under, but this was only temporary, as renewed buying soon brought the price back to somewhere about its old level. They are now firm at \$32, with only a few shares offering. Immunity from disaster or mishap during the typhoon season coupled with the recent visit of the American tourists should account for an improved balance in the Company's trading during the second half of the year. During the early part of the year, Indo-China was entirely neglected, and it was only sometime in April that they began to exhibit signs of a revival into comparative activity. Considerable speculation as to the prospect of a dividend for account of 1908 working took place, and from \$53, the price at which the stock closed in the previous year, they were forced up to about \$85 and between these rates they were largely dealt in. The stock suffered a tremendous setback on it becoming known that the company was unable to pay any dividend on account of heavy losses the Company sustained, and at one time hardly any buyers could be found. Confidence is now being restored, and with numerous firm buying orders on the market the price is steadily advancing. Shell Transports rose to about double its closing price of last year and the general opinion is that a further substantial rise will soon take place. The management have made a pro-rata allotment of one new share to every 100 old shares held by shareholders on payment of only 5/- per share. Shareholders in this concern have benefited greatly in the way of dividends and the Company's earnings are yearly increasing. Very little business has been done in Star Ferries and with the exception of a slight variation in the price there is nothing of interest to note. Union Waterworks remained steady.

Refineries.—China Sugars after closing weak at \$124 at the beginning of the year improved to \$140 during the first six months. From this time onwards, further advances are noted, and when the figure of \$177 was reached about October, numerous selling orders appeared and a large parcel of shares was dumped on the market, causing slackness which continued for some time. The very firm market for raw sugar has helped considerably to keep up the price in spite of the heavy speculation prevailing, and the approach of November saw a fresh rise in the stock, which continued as high as \$180 was paid. At the close, a set back has to be noted, caused entirely through the December Settlement, but signs of improve-

ment are visible, and the opening of next year will no doubt see a further advance in the price of this stock. Prospects for 1910 are better than ever and if the price of sugar keeps up large profits should ensue. Investors have been subject to some slight fluctuations, and the highest price reached during the year was \$30. Perak Sugars, as a direct result of their successful planting of rubber, have experienced a considerable advance and at the close of the year show a rise of about 27% on last year's rate. This company is in a very sound position and it is reckoned that its profits for the next few years will be greatly enhanced.

Mining Shares.—In this line there is, very little to report. Rubis fluctuated between \$9 to \$54 with a fairly big business about the end of June. There are sellers at the close at \$6 and it is possible a firm offer of between \$15 and \$16 would be accepted, but the stock is utterly neglected. This is due, no doubt, to the neglect by Straits and other investors who are now giving all their attention to Rubber shares. The per cent yield of gold has been increasing from month to month, the last four-weekly return published by the Company's new manager showing a gold recovery of as much as 740 dwts. to every ton of ore crushed from the Bukit Koman mines. Chinese Engineering advanced from Tis. 17 to Tis. 20 and in some instances Tis. 21 was obtained. An earlier feeling now prevails and latest advices from the North report sellers at Tis. 10.

Docks, Wharves and Godowns.—All stocks under this heading, in sympathy with the general depression of trade, suffered a severe decline, the one exception being Kowloon Wharves. This stock rose from \$16 to \$34, in spite of the severe competition offered by Horta New Wharves and Godowns, and have well maintained their position. The company has entirely completed the re-erection of their wharves which were destroyed by the disastrous typhoon of 1906, and with the revival and expansion of trade which is anticipated with the completion of the Kowloon Railway, there is no reason why their earnings should not again reach its old level especially as the terminus of the British section of the Railway will be contiguous with the Company's property. A further severe drop in Hongkong and Whampoa Docks has to be recorded bringing the price down to about half its value, at the opening of this year. All through the year, the severe competition as well as the falling off of trade were greatly felt by this Company, which furnish the explanation for the reduction of the dividend from \$4 for the half year to \$2 1/2. With a capable and energetic new manager, reorganising the whole establishment prospects appear more hopeful, and with the impetus which, it is hoped, trade is about to receive, the earnings of the Company should correspondingly increase. The quotation for George Fenwick's shows a decline of \$1 from the last rate of \$12, and it is doubtful whether buyers could be found even at a good deal under this rate. Shanghai Docks have not fluctuated much during the whole year, and although very little business has been done, the price kept fairly steady. The announcement of the usual half yearly dividend of Tis. 2 1/2 is welcomed by many and it is hoped the management might be able to pay a more substantial final dividend. Shanghai and Hongkong Wharves, after the disastrous drop experienced last year, ruled firmer and towards dividend time in March rose to Tis. 180. The disappointment of shareholders at the declaration of a dividend of only Tis. 6 per share coupled with the heavy speculative purchases, caused the shares to drop again and they have since been on the downward move and as low as Tis. 121 was offered and accepted. At the close, however, a firmness exists and buyers will probably pay Tis. 130.

Land, Hotels and Buildings.—Hongkong Lands have been a firm market and the rate which ruled \$93 at the beginning of the year is now \$102. Hongkong Hotels opened firm at \$85, but weakened towards the end of March when shares could be procured at \$80. In March they were quoted at \$73 and \$43 for the old and new shares, respectively, and this price was maintained up to a few weeks ago when they once more came into favour and the old shares were sold at \$77 1/2, and the new at \$45. The completion of their new building is anxiously looked forward to as it will greatly help to augment profits. Humphreys Estates have deteriorated in value in common with other stocks. A very strong demand set in about the middle of the year and shares changed hands freely at \$11, only to subside again in the following few weeks. The market closes very weak with sellers at \$8 1/2, without inducing buyers to come forward. West Point has not fluctuated much and remained between \$44 and \$46.

Cotton Mills.—In Shanghai Mills a further upward movement has set in and rates for all stocks, especially Ewos, show a decided improvement on last year. The price of our local mill has not been maintained and from \$9, at which they opened, a gradual decline resulted, closing at \$6 sellers.

Miscellaneous.—Green Island Cements have been subject to a great deal of fluctuation and the price of \$10 is now \$7 1/2. During the past few months more buyers have come forward and the price is gradually improving. China Providents ruled fairly firm and a good quality has changed hands. During the year vast depreciations in the price of Sumatras occurred and from Tis. 190, they slumped until as low as Tis. 100 was accepted. Shortly for December Settlement helped to raise the price and Tis. 137 1/2 is the closing rate. Langkats have also fluctuated very widely and after rising to over Tis. 1,150, dropped to Tis. 600. Towards the close they are picking up again and buyers have offered Tis. 640. Of the smaller stocks in this category, Hongkong Electric have advanced steadily and close at \$10. China Docks showed a substantial rise after the payment of the yearly dividend and reached the price of \$14 when rumours got about that petroleum prices had risen sharply within the Company's possession.

report proved a fabrication devised by "bulls" to rig the market. The temporary excitement notwithstanding, the position of the Company is a sound one, and the closing price of \$12 is temptingly good for investors possessed of spare cash. Peak Tramways have advanced to \$13; the second projected line has had to be abandoned owing to the opposition it has met. The Company is once again in the position of a monopolist as regards the control of traffic to and from the Peak. China Lights sold their Canton property in the course of the year; the shares of this company command \$6 in the market.

SILVER.

The fluctuations of silver during this year have been rather small compared with the last eight years. The highest point was reached in May with 24½, and the lowest in the beginning of March, and of October, and beginning of November with 23½. The year opened with 23½-16, but speculative purchases for the Indian Bazaar and purchases by China as cover against export trade soon brought the rate over 24. It seems that holders of silver considered 24 and higher a good price and sold freely, thereby checking any further advance. Stocks, bought by speculators in India, were accumulating and holders had to carry their stock until conditions in India improved to bring about larger purchases for the bazaar; supporting influences, however, were steady Continental purchases. In April the outlook for the Indian exchange began to look brighter. This, coupled with trade in China and speculation, brought silver up to 24½ in May, but it slowly gave way again as the demand for silver could not keep pace with the supplies from the United States and Canada. The exceptionally good crop in India, especially cotton, and the rise in the price of cotton has been a great factor in reducing the enormous stocks held by the Bazaar. In October a very good export business set in in North China and heavy purchases for the Continent during November and December helped the price slowly up. America stopped selling freely and adverse trade conditions in China (import business is on a very moderate scale) helped further to strengthen silver, which stands quoted at the close at 24½.

The following figures we take from Mr. Th. Christian's yearly review:—

	T.T. Hongkong	Bar Silver	Rate of Disc.
Jan.	23.10	23.10	23.10
Feb.	23.10	23.10	23.10
Mar.	23.10	23.10	23.10
Apr.	23.10	23.10	23.10
May	24.50	24.50	24.50
June	23.10	23.10	23.10
July	23.10	23.10	23.10
Aug.	23.10	23.10	23.10
Sept.	23.10	23.10	23.10
Oct.	23.10	23.10	23.10
Nov.	23.10	23.10	23.10
Dec.	23.10	23.10	23.10

THE MINERALS OF INDIA.

The British Consul, dealing with the trade of French Indo-China, refers to the minerals there. A good deal of activity has been manifested, he says, especially in Tonkin, in prospecting and restoring mines. The results, however, have hitherto been comparatively disappointing, and, owing to difficulty of access, poverty of deposit, lack of capital by the promoters or other causes, the rule has been for these enterprises to end in nothing. An exception must be made in regard to the deposits of coal in Eastern Tonkin; the coal mines of Hongay on the coast, north of Haiphong, have been worked for some years with considerable success. The coal is anthracite, and, besides being consumed in factories, and sold to Chinese, is mixed with about 20 per cent. of Japanese coal and 10 per cent. of British coal, and manufactured into briquettes, which are used by the steamers of the Messageries Maritimes and by the local railways. A special briquette is manufactured for the use of the navy. Other deposits of similar coal are worked at Dong-Trien, Kebao, and elsewhere in Tonkin. The production of zinc also is increasing, the principal mine being in the Thai-Nguyen province of Tonkin. Zinc now takes a regular place in the list of exports. Alluvial tin is being worked in Tin-Tuoh, near Cao-bang, and is said to give good promise of future development. Wolfram ore comes from the same district.

RUBBER.

A MUCH HEALTHIER POSITION.

The London and China Express of December 3 says:—

Since we wrote last week the prices of both Rubber and most Rubber shares have reached lower levels. This is, of course, not surprising when it is remembered that pretty high quotations have been ruling for a considerable period. A reaction has been looked for, and it has come; and those best able to judge think it may be welcomed as making for a much healthier position. The batch of excellent crop yield nothing but satisfaction to the investor, while the erratic course of the share market during the last few days has provided another lesson to those who have not yet learned that to dabble speculatively in rubber shares is not always a profitable occupation. It is quite likely, also, that the bears who have been selling during the past day or two may find themselves in an uncomfortable position when endeavouring to borrow shares for the coming settlement. The only new issue has been the Danstons (Krian, F.M.S.) Rubber Estates with a capital of £150,000 in £1 shares.

In a recent Circular Messrs. Gow, Wilson, and Stanton, Ld., wrote:—

Not only is the forward position of raw rubber much stronger, but the excellent dividends lately declared by several companies, and the promise of more likely to be declared in the near future, have given considerable impetus to the market in general. Another feature to be reckoned when considering the position of the raw article is that late contracts made by some companies for 1910 on the basis of their present excellent prices assure the payment of equally good dividends for next year and also the desire of manufacturers to make further contracts at equally good rates if companies will only consent. The bugbear of over production has at times exercised the mind of the investor, but when it is remembered that the total receipts from Brazil to June 30 last were only about equal to those of 1907-8 (1907-8 being about 1,400 tons less than that period), and that only with rubber at a high figure can these estates be worked, the position of the Plantation Rubber (which many estates can produce at about 10-12 per lb.) is considerably strengthened.

Telegrams.

"HONGKONG TELEGRAPH" SERVICE.

THE SHANGHAI TAOTAI

CLOSING OF A NATIVE PAPER.

[By courtesy of the "Sheng Po."]

Peking, 28th December.

On hearing that the Shanghai Taotai has closed up one of the Chinese newspapers, Prince Su sent a special telegram to Taotai Tsi Nai-huang asking for information. In his reply Taotai Tsi asked Prince Su not to interfere. Whereupon Prince Su became vexed and telegraphed to Viceroy Chang Jen-chun to inquire and report.

THE WAIWUPO.

PRINCE CHING DECLINES APPOINTMENT.

[By courtesy of the "Sheng Po."]

Peking, 26th December.

Prince Ching has declined to accept the appointment of chief of the Waiwupo. He has recommended Na Tung for the post, but his recommendation has not met with the approval of the Prince Regent.

PEKING-HANKOW RAILWAY.

LARGE TRAFFIC RECEIPTS.

[By courtesy of the "Sheng Po."]

Peking, 26th December.

The receipts of the Peking-Hankow Railway for last month amount to \$1,170,000.

HSU SHIH-CHANG.

DENOUNCED BY CENSORS.

[By courtesy of the "Sheng Po."]

Peking, 26th December.

Censors Tsi and Chiu have resolved to denounce Hsu Shih-chang for keeping too many supernumerary officials in his appointment as president of the Ministry of Posts and Communications.

SIR CHEN-TUNG LIANG CHENG.

DENOUNCED BY CANTON VICEROY.

[By courtesy of the "Sheng Po."]

Peking, 27th December.

Viceroy Yuan Shu-hsun, of Canton, has submitted a further memorandum denouncing Sir Chen-tung Liang Cheng for having wasted seven million dollars of the Canton-Hankow Railway funds.

An Imperial edict has been issued directing the Ministry of Posts and Communications to inquire and report.

HUNAN-HUPEH RAILWAY.

FOREIGN LOANS OPPOSED.

[By courtesy of the "Sheng Po."]

Peking, 27th December.

The representative of the Hunan and Hupeh Railway has arrived at Peking and has called on Hsu Shih-chang, when he protested against the raising of foreign loans. Hsu Shih-chang has not given any definite answer.

CHIENTAO.

APPLICATION FOR JAPANESE CUSTOMS COMMISSIONER.

[By courtesy of the "Sheng Po."]

Peking, 27th December.

Japan has asked that a Japanese Commissioner of Customs be appointed for Chientao, but Governor Chan Chiu-sheng of Kirin has strongly opposed the application.

TIBET.

SUBSIDIARY COPPER CURRENCY WANTED.

[By courtesy of the "Sheng Po."]

Peking, 27th December.

Chiu I-tung, the Senior Amban, has requisitioned for copper coins for circulation in Tibet. An Imperial decree has been issued sanctioning the request.

VICEROY OF CHIHLI.

CHEN KWEI-LUNG ASSUMES CHARGE.

[By courtesy of the "Sheng Po."]

Peking, 27th December.

Viceroy Chen Kwei-lung will leave Peking on the 31st inst. and take over the seal of office as Viceroy of Chihli on the 1st prox.

NEW PENANG STEAMER.

LAUNCHED AT HONGKONG.

At 9 o'clock last evening, 29th inst., at the yard of Messrs. Kwong Tuck Cheong the second steamer built to the order of the Eastern Shipping Co., Penang, was successfully launched and as the vessel glided down the ways she was christened *Pangkor*. The ceremony was gracefully performed by Miss Minnie Lambert, daughter of the popular surveyor for Lloyd's in Hongkong. The vessel is a replica of the *Kedah* recently launched from the same yard. A number of visitors was present and success to the vessel and the health of the builders was enthusiastically drunk by the gathering.

CRICKET.

HONGKONG CRICKET CLUB VS. UNITED SERVICES.

On Saturday afternoon, the United Services met the Hongkong Cricket Club and the former were all dismissed in the first innings for 324 runs. This match was continued this morning at 10 o'clock, the Club electing to bat first. Some good scoring was seen, especially that put up by Elborough—135 runs. The Club just managed to get two runs ahead of the United Services when the last wicket dropped at twenty minutes past two.

The United Services opened their second innings at about 2.30 p.m. and closed the innings for 148 runs all out.

Bowling Analysis.				
	O.	M.	R.	W.
R. E. O. Bird	23	0	105	3
R. E. H. Oliver	24	3	86	4
A. C. Leith	7	1	34	0
A. H. Young	9	4	17	0
A. A. Claxton	3	1	27	0

HONGKONG FIRST INNINGS.				
	O.	M.	R.	W.
T. E. Pearce, c Noble, b Pelly	51	1	12	1
A. A. Claxton, c Baird, b Hutton	12	1	49	1
A. C. E. Elborough, b Bagnall	125	5	36	0
H. H. Hancock, c Mayhew, b Noble	44	1	35	0
W. C. D. Turner, c Bagnall, b Baird	2	0	1	0
R. E. H. Oliver, c Baird, b Bagnall	2	0	1	0
Manning, b Baird	0	0	1	0
A. H. Young, c Green, b Baird	0	0	1	0
H. R. Makin, c Garnett, b Baird	0	0	1	0
R. E. O. Bird, b Mullineux	5	0	1	0
A. Leith, not out	0	0	1	0
Extras	24			
Total	316			

Bowling Analysis.				
	O.	M.	R.	W.
Lt. Hutton	12	2	49	1
Capt. Garnett	8	1	36	0
Capt. Baird	25	5	69	4
Lt. Mullineux	13	3	51	1
Lt. Pelly	4	0	27	1
Lt. Bagnall	10	0	49	2
Lt. Noble	3	0	20	1

UNITED SERVICES SECOND INNINGS.				
	O.	M.	R.	W.
Lt. Noble, c Makin, b Oliver	19			
Lt. Pelly, run out	42			
St. Sergt. Power, b Bird	1			
Capt. Mayhew, c Hancock, b Young	23			
Capt. Baird, b Young	19			
Capt. Garnett, run out	10			
Cmnd. Lewis, b Young	3			
Lt. Green, c Young, b Bird	12			
Lt. Bagnall, b Bird	11			
Flag Lt. Mullineux, c Hancock, b Bird	11			
Lt. Hutton not out	1			
Extras	6			
Total	148			

Bowling Analysis.				
	O.	M.	R.	W.
R. E. O. Bird	13	0	74	4
R. E. H. Oliver	9	0	35	1
A. H. Young	10	2	33	3

UNITED SERVICES VS. HONGKONG.

The Hongkong XI. required only 347 runs to make for a win when they opened their second innings at ten minutes past four yesterday. Pearce and Elborough went in to start. They began by making runs very slowly. Pearce was caught out by Green, the wicket-keeper, with 35 runs to his credit. Hancock then went out to partner Elborough; he got set, and was hitting out freely. Elborough was dismissed for 18 runs, when Turner joined Hancock. Hancock continued hitting out freely and drove Baird's ball to the Law Courts for a six, and immediately after, this he was caught out by the wicket-keeper. Turner made a good 21, and Oliver ran out for B. When the time was called the Hongkong XI. required another 27 to win; the game, accordingly, ended in a draw.

The score for Hongkong's second innings which did not appear in our yesterday's issue was as under:—

HONGKONG SECOND INNINGS.				
	O.	M.	R.	W.
T. E. Pearce, c Green, b Baird	35			
A. C. E. Elborough, c Lewis, b Baird	12			
H. Hancock, c Green, b Mullineux	23			
W. C. D. Turner, c Lewis, b Bagnall	21			
R. E. H. Oliver, run out	8			
A. A. Claxton, not out	12			
A. H. Young, not out	12			
Extras	4			
Total (all wickets)	120			

Bowling Analysis.				
	O.	M.	R.	W.
Baird	18	6	51	2
Bagnall	10	1	35	1
Mullineux	6	0	34	1

JAPANESE COTTON YARN.

EXPORTS TO HONGKONG AND SOUTH CHINA.

The export of cotton yarn last month was very satisfactory, says the *Japan Chronicle*, the total shipment of 20's and below amounting to 9,521,500 lbs., representing ¥3,933,716 in value, and that of yarn above 20's to 673,371 lbs., valued at ¥394,065, making a total of 10,194,871 lbs. valued at ¥4,327,781.

Last week some activity was shown in the yarn market, buyers in Tokyo and Nagoya purchasing bargains, and on the 15th instant about 3,000 bales changed hands. The quotations for some qualities were forced up by ¥2 or ¥3 the following day, when the record high quotation of ¥131 for February delivery was seen. The *Osaka Mainichi* remarks that this activity was the result of operations by speculators, and genuine buyers merely folded their hands, watching the situation. In consequence on the same day (16th) the quotations on the Osaka Exchange closed at ¥128.60 for December delivery, ¥129.75 for January, and ¥130.55 for February delivery. It is difficult to predict the future of the yarn market, continues the *Osaka journal*, but if the prevailing high price of raw cotton is maintained the market is bound to rise to keep pace with the cost of raw material. The purchase of yarn for export this year was started two or three months earlier than last year and weaving circles in Japan remain very inactive, so that whether the market will advance on the opening of the New Year as generally considered is a problem.

The *Osaka Asahi* notes that the Takenouchi Shoten, a cotton yarn firm connected with the Osaka branch of the Mitsui Bussan Kaisha, which has made heavy purchases of gassed yarn on speculation since the spring, is reduced to a critical position on account of the collapse of the gassed yarn market since the summer. Mr. Fujino, manager of the Osaka branch of the Mitsui Bussan, has devised a measure of relief for the Takenouchi Shoten and has undertaken to export a part of the stock held by the firm to Hongkong and South China. The Mitsui is now awaiting a favourable opportunity to ship the yarn. Japanese gassed yarn adds the *Osaka journal*, has so other markets abroad than Hongkong and South China, where the demand for the Japanese production does not exceed 500 bales a year. Cotton yarn merchants at Hongkong, Tokyo, are also reduced to an embarrassing condition. Compared with English gassed yarn 60's to 80's, the price of the Japanese production is much lower. In these circumstances, assuming the quality to be not much inferior, there should logically be great possibilities for the export of Japanese gassed yarn to England. The yarn merchants have accordingly, with a view to forcing up the market, circulated a report that Messrs. Samuel, Samuel & Co., and the Mitsui Bussan Kaisha have on foot a scheme to export Japanese gassed yarn in large quantities to England. It goes without saying, concludes the *Asahi*, that Japanese gassed yarn is quite unsuitable to English weavers. Ignorant as Japanese weavers and cotton yarn merchants are of conditions abroad, it would still hardly be thought that they would be enticed by such a scheme. In practice, however, the case is different and the report appears to have had some effect in improving the market.

HONGKONG JOCKEY CLUB.

FORTHCOMING RACE MEETING.

Following is the programme of races to be held on the 15th, 16th and 17th February, next:—

- 1.—THE WONG-MEI-CHONG STAKES.—Winner \$400. Second \$150. Third \$75. For China ponies, subscription griffins of this season 1909-1910. Weight for inches as per scale. Jockeys who have never had a winning mount in either Hongkong, Shanghai or Tientsin allowed 5 lb. Entrance \$10. Half a mile.
- 2.—THE MAIDEN STAKES.—Winner \$500. Second \$150. Third \$75. For China ponies, *bona fide* griffins on date of entry. Weight for inches as per scale. Subscription griffins of this season 1909-1910 allowed 7 lb. Entrance \$10. Three quarters of a mile.
- 3.—THE VICTORIA STAKES.—Winner \$500. Second \$150. Third \$75. For China ponies, weight for inches as per scale. *Bona fide* griffins on date of entry allowed 5 lb. Subscription griffins of this season 1909-1910 allowed 10 lb. Entrance \$10. One mile.
- 4.—THE VALLEY STAKES.—Winner \$600. Second \$200. Third \$100. For China ponies, subscription griffins of this season 1909-1910. Weight for inches as per scale. Entrance \$10. Three quarters of a mile.
- 5.—THE FOCHOUH CUP.—Winner \$500. Second \$150. Third \$75. For China ponies, weight for inches as per scale. Ponies who have run at any previous meeting and won a race and griffins allowed 5 lb. Subscription griffins of this season 1909-1910 allowed 10 lb. Jockeys who have never had a winning mount in either Hongkong, Shanghai or Tientsin allowed 5 lb. Allowances accumulative. From the two-mile post once round and in.
- 6.—THE TRIAL PLATE.—Winner \$500. Second \$150. Third \$75. For China ponies, *bona fide* griffins on date of entry. Weight for inches as per scale. Subscription griffins of the season 1909-1910 allowed 7 lb. Winner of the Maiden Stakes 7 lb. extra. Jockeys who have never had a winning mount in either Hongkong, Shanghai or Tientsin allowed 5 lb. Allowances accumulative. Entrance \$10. Two miles.
- 7.—THE GARRISON CUP.—Presented by the officers of the Garrison. (Second to receive \$150; and Third \$75. For China ponies, subscription griffins any season. Weight for inches as per scale. Winners at previous meetings of one race 7 lb. of more than 14 lb.; at this meeting 3 lb. extra. Penalties accumulative. Jockeys who have never had a winning mount in either Hongkong, Shanghai or Tientsin allowed 5 lb. Entrance \$10. One mile.
- 8.—THE PROFESSION CUP.—Value \$500. Presented. Second to receive \$150; and Third \$75. For griffins on date of entry and ponies that have never won a race. Subscription griffins of this season 1909-1910 allowed 5 lb. Weight for inches as per scale. Winners at previous meetings of one race 7 lb. of more than 14 lb.; at this meeting 3 lb. extra. Penalties accumulative. Jockeys who have never had a winning mount in either Hongkong, Shanghai or Tientsin allowed 5 lb. Allowances accumulative. Entrance \$10. One mile.
- 9.—THE HONGKONG CLUB CUP.—Presented by the members of the Hongkong Club. Second to receive \$150; and Third \$75. For China ponies. Weight for inches as per scale. Griffins allowed 5 lb. Subscription griffins of this season 1909-1910 allowed 10 lb. Winners at this meeting 5 lb. extra. Entrance \$10. One mile and a half.
- 10.—THE RACING STAKES.—Winner \$400. Second \$150. Third \$75. For China ponies, subscription griffins of this season 1909-1910. Weight for inches as per scale. Winners at previous meetings of one race 7 lb. of more than 14 lb.; at this meeting 3 lb. extra. Penalties accumulative. Jockeys who have never had a winning mount in either Hongkong, Shanghai or Tientsin allowed 5 lb. Entrance \$10. Five furlongs.

SECOND DAY.

- 1.—THE JOCKEY CUP.—Winner \$300. Second \$150. Third \$75. For China ponies, subscription griffins of any season. To be ridden by jockeys who have not had more than two winning mounts previous to this meeting in Hongkong or China. Weight for inches as per scale. Winners barred. Entrance \$10. One round.
- 2.—THE EXCHANGE PLATE.—Value \$1,000. Presented by the Bankers and Exchange Brokers of Hongkong. Second to receive \$350; and Third \$100. For China ponies. Weight for inches as per scale. Winners at this meeting of one race 7 lb.; of two or more races 10 lb. extra. Griffins allowed 5 lb. Subscription griffins of this season 1909-1910 allowed 10 lb. Entrance \$15. From the two-mile post once round and in.
- 3.—THE HONGKONG DERBY.—A sweepstakes of \$20 each with \$200 added. For China ponies, *bona fide* griffins on date of entry. First pony to receive 70 per cent., second 20 per cent., and third 10 per cent. Weight for inches as per scale. One mile and a half.
- 4.—THE GERMAN CUP.—Presented by members of the Club Germania. Second to receive \$100; and Third \$50. For China ponies, subscription griffins of this season 1909-1910. Weight for inches as per scale. Entrance \$10. One mile and a quarter.
- 5.—THE CHAMPION CUP.—Winner \$500. Second \$150. Third \$75. For China ponies, weight for inches as per scale. Winners at this meeting of one race 7 lb.; of two or more races 10 lb. extra. Griffins allowed 5 lb. Subscription griffins of seasons 1908-1909 and 1909-1910 that have not won more than one race allowed 10 lb. Entrance \$10. Five furlongs.
- 6.—THE LUSITANO CUP.—Presented by the members of the Club Lusitano. For China ponies, *bona fide* griffins on date of entry. Second to receive \$150; and Third \$75. Weight for inches as per scale. Subscription griffins of this season 1909-1910 allowed 7 lb. Winners 7 lb. extra. Entrance 10. One mile.
- 7.—THE CHALLENGE CUP.—Value one hundred guineas. For China ponies. A forced entry of \$10 each, but optional to China ponies subscription griffins of this or previous seasons. Weight for inches as per scale. To be won two years consecutively by a pony, or ponies the *bona fide* property of the same owner or owners. Winner to receive \$300 and 70 per cent., second \$100 and 20 per cent., and third \$50 and 10 per cent. The entrance fee until the cup is finally won, when the second pony will receive 75 per cent., and third pony 25 per cent. of the entrance fees. One mile and three quarters.
- 8.—THE NAVY CUP.—Presented by the officers of His Majesty's fleet. Second to receive \$150; and Third \$75. For China ponies, subscription griffins of this season 1909-1910. Weight for inches as per scale. Winner of the German Cup to lb.; other winners 7 lb. extra. Entrance \$10. From the two-mile post once round and in.
- 9.—THE PARSE CUP.—Presented by the Parsee Community. Winner \$500. Second \$150. Third \$75. For China ponies *bona fide* griffins on date of entry. Weight for inches as per scale. Winners of one race 7 lb.; of two or more races 10 lb. extra. Entrance \$10. One mile and a quarter.
- 10.—THE GYMKHANA CLUB CUP.—Value \$50. Presented by the members of the Gymkhana Club. Second to receive \$150; and Third \$75. For all China ponies that have run at any Gymkhana meeting and subscription griffins of this season 1909-1910. Weight to 8 lb. Winners of any race other than races confined to subscription griffins 5 lb. of a subscription griffins race 1 lb. extra. Subscription griffins of this season 1909-1910 allowed 7 lb. Winners at this meeting barred. Jockeys who have never had a winning mount in either Hongkong, Shanghai or Tientsin allowed 5 lb. Allowances accumulative. Entrance \$10. Three quarters of a mile.

THIRD DAY.

- 1.—THE GRAND STAND STAKES.—Winner \$500. Second \$150. Third \$75. For China ponies, *bona fide* griffins on date of entry. Winners of one race 5 lb.; of two or more races 10 lb. extra. Subscription griffins allowed 5 lb. Entrance \$10. Three quarters of a mile.
- 2.—THE GREAT SOUTHERN STAKES.—Winner \$500. Second \$150. Third \$75. For China ponies. Weight for inches as per scale. Winners at this meeting of one race 7 lb.; of two or more races 10 lb. extra. Griffins allowed 5 lb.; subscription griffins of seasons 1908-1909 and 1909-1910 allowed 10 lb. Entrance \$10. One mile.
- 3.—THE HONGKONG STAKES.—Inner \$500. Second \$100. Third \$50. A forced entry for China ponies subscription griffins of this season 1909-1910. Weight for inches as per scale. Winner of the German Cup 7 lb. extra; non-winners allowed 3 lb. Entrance \$10. One mile and a half.
- 4.—THE LADIES PURSE.—Presented, \$150 added. Second to receive \$100; and Third \$50. For China ponies. Weight for inches as per scale. Winners at this meeting other than subscription griffins 5 lb. extra. Jockeys who have never had a winning mount in either Hongkong, Shanghai or Tientsin allowed 5 lb. Entrance \$10. One round.
- 5.—THE FLAWAY STAKES.—Winner \$500. Second \$150. Third \$75. For China ponies, *bona fide* griffins on date of entry. Weight for inches as per scale. Winners one race 5 lb.; of two races 7 lb.; and of three or more races 10 lb. extra. Jockeys who have never had a winning mount in either Hongkong, Shanghai or Tientsin allowed 5 lb. Entrance \$10. Seven furlongs.
- 6.—THE PHAETHON STAKES.—Handicap. Winner \$500. Second \$150. Third \$75. For China ponies that

Shinju no

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SHARE QUOTATIONS

Printed by Messrs. E. S. KADOORIE & Co. Corrected to noon; later alterations given under "Commercial Intelligence" page 8.

COMPANY	NO. OF SHARES	VALUE	PAID UP	RESERVE	AT WORKING ACCOUNT	LAST DIVIDEND	RETURN AT PRESENT QUOTATION BASED ON LAST YEAR'S DIV.	CLOSING QUOTATIONS
BANKS.								
Bank of China, Limited	120,000	\$100	\$125	{ £1,500,000 \$1,500,000 \$50,000	\$2,001,819	{ Interim of £2 for account 1909 @ ex 1/9 = \$22.72	4 %	{ \$1,000 sales London £91.0
MARINE INSURANCES.								
China Insurance Office, Limited	10,000	\$250	\$50	{ \$1,500,000 \$154,581 \$252,791 \$1,500,000 \$1,500,000 \$1,500,000 \$1,500,000 \$1,500,000	none	{ \$2 (London 3/6) for 1909 \$10 for 1908	7 %	{ \$65 buyers \$145 sellers
China Insurance Company, Limited	10,000	4.15	45	{ Tls. 12,000,000 Tls. 12,000,000 Tls. 12,000,000 Tls. 12,000,000 Tls. 12,000,000 Tls. 12,000,000 Tls. 12,000,000 Tls. 12,000,000	Tls. 207,578	Final of 7/6 making 15/- for 1908		Tls. 122 1/2
Union Insurance Society of Canton	12,400	\$150	\$100	{ \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	\$2,444,001	{ Final of \$17 making \$47 for 1907 and interim of \$30 for 1908	1 1/2 %	\$900 sales
Yangtze Insurance Association, Limited	12,000	\$100	\$60	{ \$1,000,000 \$204,405 \$199,264 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	\$707,629	\$12 and bonus \$3 for 1907	7 %	\$230
China Fire Insurance Company	70,000	\$100	\$30	{ \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	\$275,341	\$6 and bonus \$2 for 1907	7 %	\$118 sales
Hongkong Fire Insurance Company, Limited	8,000	\$250	\$50	{ \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	\$168,711	\$27 for 1907	7 1/2 %	\$370 sellers
SHIPPING.								
China and Manila Steamship Company, Limited	30,000	\$25	\$25	{ \$7,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	\$1,035	\$1 for 1906		\$3 sellers
Douglas Steamship Company, Limited	20,000	\$50	\$50	{ \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	Nil	\$2 1/2 for year ending 30.6.1908		\$35
Hongkong, Canton & Macao Steamboat Co., Ltd.	80,000	\$15	\$15	{ \$7,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	\$21,179	Interim of \$2 1/2 for account 1909	7 1/2 %	\$32 sales
Indo-China Steam Navigation Co., Ltd. (Preferred)	60,000	65	65	{ \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	\$13,755	{ 6/- for 1907 on Preference shares only @ ex 1/6 11/10 = \$5.154		\$63 buyers
Do. (Deferred)	60,000			{ \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000		Final of 4/- for 1908 and interim of 1/- for a/c 1909		67 1/2 buyers
"Shell" Transport and Trading Company, Limited	2,000,000	4.1	4.1	{ \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	\$62,817	\$1.00 for year ending 10.4.1909	4 %	\$26 buyers
"Star" Ferry Company, Limited	10,000	\$10	\$5	{ \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	\$8,121	\$5.00 for year ending 10.4.1909	3 1/2 %	\$14 1/2
REFINERIES.								
China Sugar Refining Company, Limited	20,000	\$100	\$100	{ \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	Dr. \$5,858	\$5 for year ending 31.12.08	3 1/2 %	\$157 buyers
Luxon Sugar Refining Company, Limited	7,000	\$1	\$1	{ \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	Dr. \$135,891	\$5 for 1897		\$27 sellers
Perak Sugar Cultivation Company, Limited	7,000	Tls. 5	Tls. 50	{ Tls. 200,000 Tls. 200,000 Tls. 200,000 Tls. 200,000 Tls. 200,000 Tls. 200,000 Tls. 200,000 Tls. 200,000	Tls. 6,103	Tls. 10 for year ending 31.8.09		Tls. 350 buyers
MINING.								
Chinese Engineering and Mining Company, Ltd.	2,000,000	4.1	4.1	{ \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	481	Final of 1/6 making 3/- for 1909	7 %	Tls. 19 sellers
British Australian Gold Mining Company, Limited	150,000	1.1	18/10	{ \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	Dr. 4.101	No. 12 of 1/- = 48 cents		\$6 1/2 sellers
DOCKS, WHARVES & GODOWNS.								
Fenwick (Gen.) & Co., Limited	18,000	\$25	\$25	{ \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	Dr. 17,411	\$1.75 for year ending 31.12.06		\$10</

**HONGKONG AVERAGE MARKET
PRICES.**

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BUTCHER MEAT.		Cents
Best sirloin & prime cut—Mei Lung Pa B		20
" Corned—Ham Ngau Yuk		20
" Roast—Shio		20
" Breast—Ngau Lam		18
" Soup, Tong Yuk		15
" Steak—Ngau Yuk Pa		15
" " Sirloin—Ngau Lau		30
" Sausages—Ngau Yuk Cheung		25
Bullock's Brains— " Know	per set	60
" Tongue fresh—Ngau Li	each	50
" " corned—Ham Ngau Li		60
" Head—Ngau Tau		80
" Heart—Ngau Sum	per lb	13
" Hump, Salt—Ngau Kin		18
" Feet—Ngau Keok	each	8
" Kidneys—Ngau Yiu		13
" Tail—Ngau Mei		13
" Liver—Ngau Oon		18
" Tripe (undressed)—Ngau To		6
Calves' Head and Feet—Ngau Chal-tan-koak	set	\$1.00
Mutton Chop—Yeung Pui Kwat		23
" Leg—Young Pei		23
" Shoulder—Young Shau		20
Pigs' Chitterlings—Chi cheong		12
" Brains—Chi Kow	per set	12
" Feet—Chi Kok		12
" Fry—Chi Chak		15
" Head—Chi Tau		13
" Heart—Chi Sum	each	9
" Kidneys—Chi Yiu	pair	8
" Liver—Chi Kon		10
Pork Chop—Chai Pui Kwat		31
" Corned—Ham Chu Yuk		—
" Leg—Chu Fat		14
" Fat or Lard—Chu Yau		13
Sheep's Head and Feet—Yeung Tau Keok	set	50
" Heart—Yeung Sum	each	10
" Kidneys—Yeung Yiu		9
" Liver—Yeung Oon		17
Sucking Pigs, To Order—Chu Chat		24
Beef—Sang Ngau Yau		10
" Mutton—Sung Yeung Yau		15
veal—Ngon Chai Yuk		20
" Sausages—Ngau Chai Yuk Tong		20

POULTRY.		Cents
Chicken—Kai Chal		28
Duck, Large, Small—Siu Kai		28
" Ducks—Ap		10
" Geese—Pan Kau	each	20
" Eggs, Hen—Kai Tap	per doz	30
" Canton—Kai		36
" Hainan—Hoi Nam Kai		74
" Ngon		20
Geese, Wild Shanghai—Sheng Hoi Ye Ngo	pair	\$1.70
Hens Deer—Wong Kong	each	3.50
" Quails—Tu Chal		65
"tridge—Che Khoo		55
"asant—Shan Kai	pair	\$1.70
"geons, Canton—Pak Kop	each	32
" Holbow—Holbow Pak Kup		16
"all—Um-Chon		12
"e Birds—Wo Fa Cheuk	doren	49
"pe—Sa Choh	each	25
"keys, Cock—Fo Kai Kung	per lb	29
" Hen—" Na		60
"id Ducks, Shanghai, Sol-ap	pair	1.42
"id, Shanghai, Sol Ap Chai		48
"id Ducks Canton—Sang Shippi Sgi Ap	par pair	90

FISH.		Cents
Salmon—Ka Yu		12
" Salmon—Bin Yu		16
" Fresh Water Fish—Hoi Bin Yu		16
" —Li Yu		17
" Fish—Oik Yu		17
" Fish—Man Yu		17
" —Hal		23
" Fish—Mak Yu		23
" —Sa Mang Yu		16
" —Wong Mei Lung		11
" Fish—Ti To Sp		11
" Conger—Hal Man Yu		16
" Fresh water—Tam Sei Yu		16
" Yellow—Ying Siu		74
" Tige Kai		11
" Sea—Sek Fan		17
" Conger—Pak Kup Yu		11
" Snappers—Tso Fak		20
" Fish—Cheung Wan Yu		11
" —Wong Fa Yu		16
" —Wa Yu		11
" Fish—Lung He		40
" —Chi Yu		17
" Fish—Mon Yu		17
" —Chai Yu		22
" —Sang Ho		22
" —Kai Kung Yu		17
" —Tau Leo		10
" —Fa Pau Fong		10
" —Fat Yu		11
" Black—Hik Cheung		11
" White—Pak Cheung		10
" —Xiao Ha		11
" —Pal Pa Yu		11
" Fish—Kek Kwei		11

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